

The Nation

FOUNDED 1865

Vol. CXXXVI

NEW YORK, WEDNESDAY, FEBRUARY 1, 1933

No. 3526

Contents

EDITORIAL PARAGRAPHS	105
EDITORIALS:	
Inflation—or What?.....	108
Cheating the Filipinos.....	109
The Rise of Barter	109
Broadway Cuts Its Price.....	110
ISSUES AND MEN. THE PHILIPPINES SET FREE. By Oswald Garrison Villard	111
SCRAMBLED ERGS. AN EXAMINATION OF TECHNOCRACY. By Henry Hazlitt.....	112
CAPITALIST CONFISCATION. By Ernest Gruening.....	116
FILIBUSTERS AND FUTILITY. By Paul Y. Anderson.....	118
THE "REVOLT OF THE MASSES" IN SPAIN. By Bailey W. Diffie	119
WANT TO MAKE A REVOLUTION, MISSUS? By Ann Washington Craton	121
IN THE DRIFTWAY. By the Drifter.....	121
CORRESPONDENCE	122
CONTRIBUTORS TO THIS ISSUE.....	124
BOOKS, MUSIC, DRAMA:	
Equation. By Clifton Cuthbert.....	125
Sinclair Lewis, Campaigner. By Henry Hazlitt.....	125
Post-War Germany. By Raymond Leslie Buell.....	125
Chaliapin's Autobiography. By Ray C. B. Brown.....	126
An Artist in War. By M. R. Werner.....	127
Shorter Notices	127
Music: Selling Symphonies. By Arthur Mendel.....	128
Films: Noel Coward's "Cavalcade." By William Troy.....	130
Drama: Not Pretty. By Joseph Wood Krutch.....	131

BOARD OF EDITORS

ERNEST GRUENING	FREDA KIRCHWEY
HENRY HAZLITT	JOSEPH WOOD KRUTCH
ASSOCIATE EDITORS	
MARGARET MARSHALL	MAURITZ A. HALLGREN

OSWALD GARRISON VILLARD
CONTRIBUTING EDITOR

SUBSCRIPTION RATES: Five dollars per annum postpaid in the United States; to Canada, \$5.50; and to other foreign countries, \$6.00.

THE NATION, No. 20 Vesey Street, New York City, Cable Address: NATION, New York. Muriel C. Gray, Advertising Manager. British Agent, Miss Gertrude M. Cross, 23 Brunswick Square, London W. C. 1, England.

THE SECESSION from Technocracy of an important group of its recent adherents and members was an inevitable outcome of the confusion and divided counsels that have dominated its activities and obscured its more fundamental purposes. The split will doubtless be seized upon by unfriendly outsiders as proof of the weakness of Technocracy's theories and the inaccuracy of its findings, when its real significance is merely the obvious one—that prophets and fact-finders cannot lie down together. It is too early to discover what the effects of the break will be upon the research now in progress, but whatever develops, an impartial study of the findings of the group seems more important than before. The public will tend to dismiss the whole project, the good with the bad, unless an opportunity is offered to a qualified group to scrutinize the figures and conclusions already assembled and render a public judgment as to their value. The committee of economists and engineers whose names were published in last week's issue of *The Nation* stand ready to undertake such an inquiry. Meanwhile, *The Nation* will publish such individual discussions of the material now available as seem to bear upon the fundamental issues involved. None of these articles, however, will commit this journal to the opinions expressed.

WELCOME SIGNS of initiative emerge from the pre-inauguration activities of Franklin D. Roosevelt. Clearly, it is leadership that the country requires and for which it hungers. It is leadership alone, positive, courageous, vigorous, that can check the nation's accelerating tail-spin into economic chaos and complete demoralization. The futility of the present lame-duck Administration—the last, Senator Norris be praised—makes clearer than ever the need of a clear head and a strong hand at the controls. Walter Lippmann put it correctly when he wrote: "What is needed is for Mr. Roosevelt to convince this country and the world that in Washington there is a government that can govern." And we add that the aphorism of the *laissez tomber* individualists, that "he governs best who governs least," is obsolete and discredited in this crisis. The President-elect has made a good beginning in inviting, through the State Department, Great Britain and the other nations which paid their December fifteenth instalments to confer on the debt problem after March 4. There lies the hope of a sane international policy. Mr. Roosevelt has done no less well in pledging that the Muscle Shoals power development shall be operated by the federal government.

THE RECAPTURE of Muscle Shoals for the American people has far-reaching implications. Over that giant stake an epic battle has been waged for a decade and a half. On one side was the dogged leadership of one man, George W. Norris. On the other side were the heavy battalions of the nation's power and banking interests, entrenched behind the \$2,000,000,000 annual electric-current revenue and the additional billions of the public's invested funds, marshaled under the skilled direction of the power industry's hired men in the capital. They were determined that this greatest of water-power sites, on which the nation had expended \$150,000,000, with its potential annual generation of four billion kilowatt-hours, should be turned over to private exploitation. Twice Senator Norris brought a modified Muscle Shoals bill through Congress. Twice it was vetoed—once by Coolidge, once by Hoover. Now an even better measure—designed to provide power development at honest cost, and the consequent distribution of cheap power to the consumer—is assured. Not only will the people of thirteen States—those within a 350-mile radius of the development—benefit directly, but the establishment of a "yardstick" for power production, transmission, and distribution on a gigantic scale brings nearer the prospect of equitable light and power rates throughout the nation. An annual saving of at least half a billion dollars to the consumers of electricity and a vastly increased use of current are realizable in the not distant future if President Roosevelt carries out a power policy consonant with his initial move at Muscle Shoals.

JAPAN HAS NOW DECLARED that it means to establish a virtual protectorate over the whole of Asia. The rest of the world, Foreign Minister Uchida said in effect in his recent speech before the House of Peers, must

leave to his country the important task of preserving the peace of the Orient. "Any plan for erecting the edifice of peace in the Far East," he asserted, "should be based upon recognition that the constructive force of Japan is the mainstay of tranquillity in this part of the world." In short, the League of Nations and the United States are warned to keep their hands off the Asiatic problem, leaving it to Japan to act as policeman for that continent. This doctrine, if accepted by the other Powers, would automatically scrap the Nine-Power Treaty and perhaps also the Open Door policy. That Count Uchida was not dealing in pointless rhetoric may be seen from his reference to conditions in Asia outside of Manchuria. He said, for example, that the spread of communism in the Yangtze valley, if unchecked, would "be a serious menace to peace in the Orient, against which Japan must certainly be on guard." He also warned China that there would be "unfortunate eventualities" if that country continued its preparations to defend what it considers its sovereign territory against Japanese aggression. Looking beyond Manchuria and the province of Jehol, Uchida significantly said that, "viewed historically, there is no room for doubt as to the fact that the Great Wall marks the boundary separating China from Manchuria and Mongolia."

TO THE REST OF THE WORLD there is considerable doubt on this point. Several American Secretaries of State, the British Foreign Office, and the spokesmen of other Powers have repeatedly declared that Manchuria at least must be considered an integral part of China. But the Japanese, taking it for granted that Manchuria has now been permanently severed from China, are laying plans for action in more distant fields. Count Uchida pointedly asserted that the Japanese intend to add Jehol, a border province lying between Manchuria and Mongolia, to their puppet state, Manchukuo. Will they then extend their "protection" to Mongolia itself? Chinese students have charged that at the Imperial Conference which met in Tokio five years ago, Baron Tanaka, then Foreign Minister, presented a secret memorandum setting forth in detail a plan to conquer not only Manchuria but Eastern Inner Mongolia as well. The Japanese have emphatically denied the existence of both the memorandum and the plan of conquest, and their denial has been generally accepted by neutral observers. Yet virtually every move the Japanese have made in the last few years coincides with the Chinese allegations. In the Uchida speech the Japanese went farther than they ever had before in defying the Western world. They may, however, be overreaching themselves. Great Britain has extensive interests in the Yangtze valley which it would not care to have disturbed; France would hardly look with equanimity upon an extension of Japanese "protection" over its sphere of influence in southern and southwestern China; Eastern Inner Mongolia lies next door to the Mongolian Soviet Republic. A Japanese protectorate over Asia would not sit well with some of the Powers which have taken a more or less neutral attitude in the Manchurian controversy.

A THOROUGH INVESTIGATION of the activities of the Reconstruction Finance Corporation is essential. While a Senate committee which recently inquired into the corporation's loans reported that it had found "nothing to criticize," it added that lack of funds had prevented any-

thing more than a superficial examination. If it had been able to dig a bit deeper, it should have had no difficulty in establishing the facts in cases like that of the Union Indemnity Company of New Orleans. This company underwrote the bonds of contractors employed in public construction work in Louisiana. It obtained a loan of \$850,000 from the Reconstruction Finance Corporation, which was used, according to a New Orleans dispatch to the *New York Journal of Commerce*, "to finance a technical sale of State highway bonds through the Pyramid Securities Company, a subsidiary, in order to provide funds to pay highway contractors so they in turn could pay creditors and so prevent suits against the surety company." But the story does not end here. The Union Indemnity Company and three affiliated corporations have now gone into receivership. W. Irving Moss, president of the company, has explained that "outside of total loans due banks, amounting to \$240,000, *amply secured by municipal and other liquid collateral*," all loans of the companies involved "are due to the R. F. C., *whose fine cooperation insures an orderly liquidation*." In short, the public treasury is left holding the bag. But this is only one case. In the January issue of *Harpers Magazine* John T. Flynn raises many pertinent questions bearing on R. F. C. policy that have not yet been answered, and other evidence of questionable practices is also available. Might it not be an economy rather than an extravagance for Congress to spend a few thousand dollars to determine just what this agency is doing with the \$3,500,000,000 of the public's money which Congress placed at its disposal?

THE MILLS OF G. O. P. may grind slowly, but he grinds exceeding large. If anyone doubts it, let him read in Paul Anderson's dispatch elsewhere in this issue how our Secretary of the Treasury refunded himself three times his annual salary. Public service, we know, is performed at great personal sacrifice by the truly great, and it is owing to their financial independence that men of vast wealth can serve the public with a disinterestedness less certain in those who depend on their salaries for a livelihood.

THE PIONEERING DAYS of birth-control agitation are past. Although the fight is not yet won, the slow processes of nullification through changes in customs and in public opinion have shifted the front and altered the tactics of the leaders. At its twelfth annual convention, held on January 19 in New York, the American Birth Control League announced that the emphasis in its propaganda would henceforth be laid upon "birth selection" (eugenics, to most of us), and that it would campaign for sterilization laws in States where they were needed. Legal limits on the spread of birth-control information still exist, but in many States they have become practically obsolete. An exception to this is Connecticut where a fight is now pending over the fantastic law which makes the use of contraceptives illegal, although the dissemination of information is not barred. The shift in attitude is nowhere more evident than among the medical profession. Five years ago scarcely a medical school in the country allowed the subject to enter into its curriculum. Today, according to Dr. Eric Matzner, medical adviser of the Birth Control League, medical schools apply to the league itself for speakers. It was also reported that thirty new clinics have been opened during the past

year in the United States and its territories. In Grand Rapids, Michigan, a clinic has been set up by the municipality in the City Hall itself, and mothers on the city's relief list are sent there for birth-control information six weeks after the birth of a child. Here is economic determinism in its simplest form. Birth control is held to be a sin as long as it limits the numbers of babies whose support would fall upon their own parents, however inadequate that support might be. But when the responsibility for their care is dumped upon the authorities, how speedily official attitudes change! Let us be grateful for this small silver lining. It will be hard, we suspect, for Grand Rapids hereafter to adopt a repressive attitude toward the spread of birth-control information, even if the cloud of depression finally lifts.

THERE COULD BE no better example of the threat to education which lies in the movement for economy in this crisis than the report from North Carolina that the budget bureau of that State is proposing to cut the appropriation for the University of North Carolina from the \$504,000 of last year to only \$390,000. This would mean a 56 per cent cut since 1929 in the appropriation for an institution which should be the glory of the State, one to be upheld and preserved in its functions as long as the State can keep anything going. We have repeatedly referred to the value of the work done by this university, which in the productivity of its scholars, in its public spirit, in its service to its State is certainly unexcelled by any similar institution. More than that, it has been marked by a liberal spirit quite beyond praise. It is the home of freethinking scholars because they are upheld in their freedom. Its president, Frank P. Graham, is in himself the best guaranty that this policy will continue, for he has not allowed his university presidency to prevent him from speaking out against social injustice. It would be not only a social tragedy to cripple so great a university at this time, but a genuine economic waste, and would mean a dispersal of the happy society of scholars which has distinguished Chapel Hill. Should this happen, there will not, we are sure, be a single academic community, North, South, East, or West, which will not be outraged by the news. We wish that the authorities in North Carolina might take note of the admirable attitude of the new Governor of New York State, Herbert Lehman, who has just told the representatives of industry who appeared before him to demand big cuts in the appropriations for the educational system of the State that he would not lend himself to the crippling of this great educational machine.

"P RINCE MIKE ROMANOV" (otherwise Harryerguson) is going to be let off. The romantic impostor who graduated from various orphan asylums into the Russian imperial house cannot be sent back where he came from for the embarrassing reason that he came from right here, and apparently he is going to be given a suspended sentence, in exchange for a plea of guilty to charges arising out of his latest mysterious entry into the United States. But the real hero of the trial is less Prince Mike than Federal Judge John C. Knox, the only man in the country, it seems, who has not yet heard about unemployment. The prince, with no other means of support except the wits which he uses all too well, has a perfectly good vaudeville engagement said to carry a salary of \$500 a week; but Judge Knox

has ruled that he must not accept it. "This man," said the judge, "should go to work *like all the rest of us* [italics ours]." Judge Knox should be made chairman of a National Take-Away-a-Job Week.

THE DEATH OF DR. J. FRED WOLLE, founder and director of the Bethlehem Bach Choir, which occurred on January 12, threatens the loss of a second great opportunity for hearing the works of Bach, at a time when general interest in them is perhaps greater than ever before. The first opportunity is, for the moment at least, already lost. Carl Weinrich, pupil of Lynnwood Farnam, and his successor at the organ of the Church of the Holy Communion in New York is no longer there. When Farnam gave the complete organ works of Bach in a series of recitals, he found it necessary to give each recital three times in order to accommodate the public that wished to hear them. The explanation that Weinrich's Bach recitals occupied a disproportionately prominent place in the church's activities carries implications which are its own answer. Unfortunately, the scene of an organist's activities is important: organs vary, as do church acoustics, and those of the Holy Communion were exceptionally favorable for the music of Bach. But there are other auditoriums with organs, and institutions like the Juilliard School, or Columbia University, for example, would be doing themselves and the musical public a service by making possible another complete Bach series. It is almost unthinkable that the impetus which Dr. Wolle gave to the Bach Choir should be lost, although no one could step at once into his place. Years of devotion to Bach's music and its performance, comparable to his, would be necessary for that. But it ought to be possible to find someone who could grow through that devotion as he did, and lead the Bach Choir farther along the road he laid out for it.

THE SUDDEN DEATH of George Moore at the age of nearly eighty-one removes a distinguished writer and an amusing personality. He was not only witty himself but the cause of wit in others. Apropos of his enthusiastic discovery of the masters it was said that he "conducted his education in public," and apropos of his indiscretion in confessing possibly apocryphal adventures it was remarked, "Moore doesn't kiss, but he tells anyway." Perhaps, however, the most remarkable thing about him is the fact that he was a literary man pure and simple and that he filled a long life with art alone. Leaving politics, sociology, science, and morality to others, he was content to record the passions and follies of mankind without, usually, troubling himself to make explicit comment. As a youth he determined to shock Victorianism out of existence, but that was the only time he ever really devoted himself to a cause, and during his later years he lost his enthusiasm even for that. Good as his realistic novels are, it is dangerous to predict immortality for any novel, but the three volumes of his "Hail and Farewell" will be read as long as anyone is interested in graceful and vivid gossip. Characteristically, he left England for Ireland because he could not stomach the Boer War and then returned suddenly to England because he could not remember a single great artist produced by Catholicism since the Renaissance. It is appropriate that the Free State should have banned his "A Story Teller's Holiday" the night before he died.

Inflation—or What?

AS the economic crisis continues, the inflationists in and out of Congress gain adherents steadily. How many Congressmen and Senators are directly in favor of currency inflation in one form or other is not precisely known, but certainly the overwhelming majority in Congress are indirect inflationists. Their attitude is that summed up last winter by Representative Crisp of Georgia: "The House is against reducing expenses, is in favor of increased appropriations, and is against taxation." Every member of Congress who holds these three attitudes is an inflationist in effect, whatever he may imagine his opinion on currency inflation to be. For while it is certainly not necessary to balance the federal budget to the last penny either in the present or in the next fiscal year, the gap between federal revenues and federal expenditures must be kept within reasonable limits if the credit of the government, in a period when confidence is everywhere so low and so easily shaken, is to be sustained. A prospective deficit of approximately one billion dollars in the next fiscal year represents a good deal more than a reasonable gap. It cannot continue at this rate for long without imperiling the government's credit, and compelling us to resort to inflation by default.

It would be difficult to predict in any case precisely what the effect of currency inflation would be, and it would be particularly so until we knew just what kind of inflation was proposed. The more naive inflationists reason quite simply: Business is depressed, they say, because people are not buying. They are not buying because they haven't any money. Therefore what the country needs is more money. Therefore the government should print more money, and it is a matter of relative indifference whether it forces it into circulation in the form of bonuses to veterans, bonuses to farmers, or through the payment of any of its current bills. This naive argument is supported also by the belief that the increased currency in circulation would raise prices.

The first half of this argument is entirely fallacious. The depression was not brought about by any lack of currency as such. On the contrary, after the depression set in, the amount of hand-to-hand currency began to increase very sharply. What caused this increase was partly hoarding by individuals, and partly the thousands of bank failures in the country. As a result of these failures hundreds of communities found themselves without banking facilities of any kind, without bank credit, so that they were forced to make all payments, otherwise made by checks, in hand-to-hand currency. Normally nine-tenths of all the business of the country is conducted by checks, and only one-tenth by currency. What we have witnessed has been a great displacement of check payments by money payments. Direct inflation of the kind contemplated by the Huey Longs would at first not essentially alter this process. The first effect of a billion dollars of fiat currency would be to drive approximately a billion dollars of Federal Reserve notes and gold certificates out of circulation. These would be retired, and the process would go on until the retirement had been virtually complete. Only then would new currency add to the total amount of hand-to-hand money in circulation. But probably long before that

point was reached there would be a raid on the gold supply, not merely by foreign countries but by our own citizens, which would grow to such dimensions that the government would be obliged to suspend gold payments.

Until the government abandoned the gold basis, currency inflation would have none of the results hoped for by its advocates. It would not raise the level of prices, because gold prices are controlled internationally and not nationally. The price rise would not begin until the gold basis was abandoned, and then the rise would begin to reflect the discount on the currency in terms of gold. If we attempted later to return to the gold standard with the same gold content for the dollar as before, the price level would drop by as much as it had previously risen.

It will be seen that currency inflation by this method—and that is the method that inflation would be most likely to take—would be the most disastrous possible form. Public advocacy of inflation in Congress, as soon as it was taken seriously, would undermine confidence; it would permit individuals and speculators, recruited mainly from the wealthiest groups, to profiteer at the expense of everyone else by taking gold before gold payments were suspended. When those gold payments were suspended, no one would know from day to day what the value of the currency was, because no one would know whether or not the currency would later be made redeemable in gold or in silver, or in what amount of gold or silver, or at what time. Until such questions were settled, the dollar would become the football of speculation as the pound has become. Its daily variations would further disorganize foreign trade, already demoralized to so large an extent by the daily fluctuations of the pound. And as in Great Britain, the lack of confidence would prevent an internal rise in the price level commensurable with the fall in the value of the currency itself, as reflected either in terms of currencies still on the gold basis or in terms of the premium on gold metal inside the country.

If currency inflation should ever be considered as a final expedient, there is only one form that deserves serious consideration. This is devaluation—the reduction in the gold content of the dollar. An inflation of this sort is controllable; business would know immediately at what level it was proposed to bring a relative stability of prices; and the lack of departure from a gold basis would prevent uncertainty in foreign trade. If such an inflation were adopted, it would have to be adopted with as little preliminary public discussion as possible if damaging raids on the gold supply were to be prevented.

Devaluation of this sort would, it is true, ultimately reduce the burden of those debts not payable in gold. By bringing a rise in prices it would tend to permit a margin of profits and a resumption of activity. But it might also bring, at the beginning, a serious further collapse in confidence to offset its advantages, and it would do nothing to cure the fundamental maladjustments that brought on the depression in the first place. Those maladjustments are largely international, and can be cured only by action that affects international relations. No permanent recovery is

possible until tariff barriers, and particularly those of the world's greatest creditor nation, our own, have been reduced to reasonable levels, and until war debts have been amicably cut down to a fraction of their present theoretical amount. Not until these two measures have been tried, and only if they fail to bring the substantial recovery that should in all reason be expected of them, ought we seriously to consider so desperate and perilous a measure as inflation.

Cheating the Filipinos

CONGRESS has decided to let freedom ring for the Philippines—but under antecedent conditions that may so impair the economic position of the Islands as to make independence a doubtful blessing. Moreover, the United States proposes to keep a string securely tied to the Islands by maintaining a military base there after “freedom” is achieved.

The Nation has always advocated unqualified independence for the Philippines. Let there be no mistake about that. In criticizing the bill which has now been passed over the President's veto, *The Nation* is in no sense taking the position assumed by the Hoover Administration. Mr. Hoover and his Cabinet are frankly imperialistic in their opposition. They do not want the Philippines freed now or at any other time. To their minds, it is necessary that the United States continue to carry its share of the white man's burden so that the united front of imperialism in Asia will not be broken.

Although our reasons diverge sharply from those advanced by the Administration, we consider the present measure thoroughly unsatisfactory. It possesses the single virtue of looking toward ultimate independence for the Philippines. The conditions on which that independence is granted, however, are cynically devised to undermine the economic position of the Islands instead of strengthening it. After the new constitution has been written, accepted by the Filipinos, and approved by the President of the United States, a ten-year interim begins, during which, in the view of Congress, there is to be a gradual adjustment in the economic relations between the Islands and this country. The law requires the Filipinos during these ten years to admit all American goods without duty. They are thus denied the right to protect their home market. At the same time their exports to their principal market, the United States, are to be subject to increasingly severe restrictions.

It is no secret that domestic beet sugar and American investments in Cuban cane sugar are the interests that directly inspired this legislation, if they did not actually write it. They wanted to bar Philippine sugar from the American market, which it was entering without payment of duty, and so for selfish reasons they suddenly became advocates of freedom for the Philippines. They were, of course, instrumental in having Philippine exports to the United States placed on a quota basis during the period of adjustment, for the quota system will automatically restrict the amount of Philippine sugar entering this market. Some sort of adjustment is probably necessary. But why must this adjustment be entirely one-sided? And why perpetrate a piece of tariff porkery in the name of liberty? Why, if we desire to pro-

tect one section of our export market during the ten-year interval, should American exporters be permitted to continue unhampered their exploitation of the Philippine market to the very end of that period? Would it not be better to set up a Filipino-American tariff commission to regulate the necessary adjustment in our economic relations and to be the determining body for both nations' tariffs in relation to each other in the pre-independence interim? Such a commission could determine whether or not the quota system was working satisfactorily and fairly, and make necessary changes if it was not. It could also help the Filipinos by supporting measures to protect their market against American exploitation, and might even assist them in seeking new foreign markets for their products. That much at least we owe to the Philippines.

No less objectionable is the section of the present bill which provides for the retention of a military station in the Islands. Why we should keep troops there after we withdraw political sovereignty is beyond all understanding. They could be of no earthly use either defensively or offensively. Surely no one will argue that a handful of soldiers or marines can defend the Islands against a determined attack by the naval forces of some other large Power, and just as surely no one can picture such a unit as the vanguard of an American army of invasion should the United States become involved in a Far Eastern war. If it is intended that the American troops shall maintain peace and order in the Philippines, then independence will be a meaningless fiction. It has been proposed that the Islands be neutralized by international convention. We consider this an essential step. It would be ridiculous for the United States to free the Philippines only to have some other Power take them over for its own purposes. Of course, neutrality conventions are not always observed. Belgium offers a case in point. Nevertheless, the mere fact that the Powers interested in the Far East had formally promised not to violate the Islands would serve as a check upon any plan of conquest they might have. But it is farcical to talk of neutralizing the Islands as long as the United States maintains a military base there. The troops and the governor-general should depart together.

The Rise of Barter

“FARMER exchanges cow for aeroplane lesson.” So runs a news item. When cash currency and individual purchasing power disappear, barter of goods and services returns. The barter movement is well under way at Yellow Springs, Ohio, in the region of Salt Lake City, Utah, in Seattle, and elsewhere. In New York City a beginning has been made in the Eastern seaboard States by the Emergency Exchange Association, which is attempting to set the unemployed to work and to arrange the exchange of their labor for the necessities of goods, clothing, shelter, medical services, and the like. The local retailer who cannot sell his supplies for cash may need the services of a painter, a plumber, or an electrician in his store or home; the association endeavors to find an unemployed member of one of those trades to do the job in exchange for groceries or clothes. Four “locals” of the unemployed have been set up in various parts of New York City, and others are being formed inde-

pendently in Syracuse, Rochester, Albany, in New Jersey cities, in Philadelphia, and elsewhere. These locals will, it is hoped, be grouped into a mutual-exchange system to handle food supplies in bulk and arrange for the processing and distribution of goods by the component locals.

Direct barter of goods and services between two individuals is seldom contemporaneous; multiple barter, a succession of operations between a number of individuals, is the necessary process in a complex economic society. To avoid complicated bookkeeping between the many individuals involved in such a flow of material and labor, credit tokens are put into circulation. The worker who has done a job on credit receives a certificate expressed in dollars to use in payment for goods received by him or for other services from the members of the local. Ready acceptance of this certificate in circulation depends upon inclusion in the system of many types of goods and services. The more highly specialized is the economic life of the community, the more difficult does it become to set up a new system of exchange.

The out-of-work plumber is ready to accept payment in the form of a credit token, but to do his job he must have tools and materials; so the retailer and in turn the wholesaler of plumbing supplies must be brought into the system. To get coal on credit at mines the output of which cannot now be sold for cash, or potatoes from the farmer in the same situation, you must at the same time furnish services or goods in exchange or persuade the miner and the farmer that credit tokens issued in New York or Yellow Springs will have exchange value in West Virginia. To bring coal from West Virginia and potatoes from Maine, the railroad carrying the goods demands cash for freight and so does the filling station which puts gasoline into the trucks. In order to start the idle city factory making overcoats by the labor of the unemployed, for exchange against coal and potatoes, power must still be purchased for cash. The extent to which barter can effectively supplement the cash system which has so badly broken down, depends entirely upon the acceptance and use of credit tokens in lieu of currency by all who fill an essential role in the chain of production and distribution, from mine and farm and forest through manufacture and transportation to the ultimate consumer. Where any unit in the cycle retains "purchasing power," the barter process breaks down and must be supplemented by the use of actual cash.

Another difficulty is the presence on the market of "distress" goods in quantity, goods which are offered for sale at less than production cost. If serviceable overcoats can be purchased for \$5, it is excessively difficult to persuade a farmer to give \$7.50 in potatoes at their market value in exchange for an overcoat produced by the unemployed at an estimated actual cost, without profit, of \$7.50.

In spite of difficulties in putting the barter theory into effective operation in the cities, the interest shown on the part of the unemployed and their willingness to try it out are extraordinary. The swift rise of a variety of such schemes throughout the United States is evidence of an impulse toward self-help which should be watched and encouraged. More detailed discussions of systems now in effect will be contributed to subsequent issues of *The Nation* by Malcolm Ross and Ralph Borsodi, both of whom have been actively in touch with developments in various parts of the country.

Broadway Cuts Its Price

LAST week the League of New York Theaters held a meeting at which it was decided that nothing could be done about the wave of price-cutting which has broken over Broadway. With approximately half of the legitimate theaters dark and with only five of the thirty-five current productions enjoying conspicuous prosperity, some steps had to be taken and a return to something like pre-war prices seemed an obvious move. Eight attractions cut the price of orchestra tickets approximately in half, and George M. Cohan opened his new comedy, "Pigeons and People," with a top price of \$2—said to be the lowest price charged at any opening since the war. The Lunt-Fontanne-Coward "Design for Living" is regarded as a predestined hit and opened at the customary \$4.40 rate, but other more moderately priced plays are promised.

Other amusement enterprises had already led the way. Nearly all the moving-picture houses reduced their scale some time ago, and in the dubious world of night clubs and dance halls Coney Island prices have been prevailing. According to *Variety* there are seventeen "taxi" dance halls between Forty-second and Fifty-seventh Street where "hostesses" are supplied at from one to five cents a dance, and at the Majestic Danceland "you can hoof-wrastle until unconscious at 40 cents admish." The Montmartre, which formerly had a cover charge of \$5, now sells dances at five cents each, and some restaurants offer a table d'hôte dinner with cabaret entertainment for less than \$1. This tendency of the once famous White Way to degenerate into a shabby midway is used as an argument against the lowering of theater prices, but it is fantastic to suggest that there is any necessary loss of dignity in adjusting prices in accordance with what is a universal tendency.

Without question the cost of theatrical production has been decreased and the economic distress of the theater is due simply to the fact that most plays cannot get an audience. Actors' salaries have been reduced and so have other items of expense, but the reduction of theater rentals is not less than sensational. A few years ago \$4,000 a week was the minimum guaranty, whereas at present most theaters can be had on a straight percentage basis and one well-known house is reported to have been offered recently for a straight rental of \$350 a week. With good attendance many plays would prove profitable at a much-reduced scale, and it is only common sense to find out whether or not the disappearing audience can be lured back at lower prices.

So far the results have not been conclusive. Though attendance has jumped at the theaters where the admission price has been cut, the gross receipts have not so far been greatly increased. But if the new policy cannot fill the available theaters, nothing else can. Last season sixty-three theaters with a combined seating capacity of nearly 64,000 were open at one time or another. Under present conditions there is not a sufficient number of people able to pay the post-war prices to fill them. If first-rate productions cannot be made to pay at lower prices, then only two things are possible. A certain number of the houses will either have to be abandoned or they will have to be given over to popular-priced entertainments of a different sort.

Issues and Men

The Philippines Set Free

THE Philippines voted free? It seems incredible. I know there are strings attached to it; that the final step was dictated by selfishness, by greed, by a narrow nationalism, and that there was little sincere desire to live up to our national pledge and give the people of this small country their independence. How many still recall that Woodrow Wilson in his war message declared on April 2, 1917, that we fought "for the rights of nations great and small and the privilege of men *everywhere* to choose their way of life and obedience"? As I write, it appears that the Philippine legislature may reject the present offer of independence. Perhaps this will be for the best and make possible a better bill in the new Congress. For all that, I am exulting as I write, for my mind runs back thirty-four years to the days just after we took the Islands from Spain and then proceeded to conquer them and kill their inhabitants by the thousands, merely because they thought that the Americans they welcomed and with whom they cooperated meant what they said when they declared that all peoples should be free and self-governing.

We of the New York *Evening Post* fought hard then against the whole bloody business, and so did the editors of the Springfield *Republican*, the Boston *Herald*, the New York *World*, *Harper's Weekly*, and other journals, daily and weekly, which have long since gone to the place where good and honest newspapers go when they die. Indeed, we and the Springfield *Republican* struck so hard against the McKinley government that one of the sessions of the Cabinet was devoted to the question whether we should or should not be prosecuted for treason. And curiously enough, the man who wrote the most fiery editorials was not Edwin L. Godkin, the masterful editor of the *Evening Post*, but Rollo Ogden, the present editor of the New York *Times*—who now bewails the granting of freedom in the way in which it has been given. One of his articles in the *Evening Post*, *Why We Cannot Conquer the Filipinos*, was one of the most brilliant and moving editorials ever written for an American daily. Of course we were accused of "stabbing our soldiers in the back," and encouraging the Filipinos to renewed resistance, and there was much indignation when we and others exposed the fact that our army had adopted the horrible water-cure torture of the Spaniards in order to make captured Filipinos confess the whereabouts of their armed forces or their hidden guns. In view of the bitter outcry against the Germans in 1914 as baby-killers and destroyers of women, a picture I have in my desk of the scene just after our soldiers took one of the mountain-top forts in the Moro country soon after the turn of the century is not without its significance. For here stand American soldiers looking down upon the victims of their rifles, and among the dead are mothers with bared breasts and their babes who had just ceased to suckle.

Is it any wonder that some of us have fought ever since for freedom for the Filipinos? Unfortunately, there are only a few of us left of the old anti-imperialist group to rejoice, as far as we can, at what the Congress has just done. George

Foster Peabody still survives, besides Mr. Ogden and Alice Stone Blackwell and a few others. But the great leaders have all gone—Senator George F. Hoar, whose white hair and long public service could not save him from endless contumely and personal abuse; Moorfield Storey, the Harvard rebel, once the private secretary of Charles Sumner; Charles Eliot Norton of Harvard; Thomas Mott Osborne of Auburn; Horace White, also of the *Evening Post*; Erving Winslow, long the secretary of the Anti-Imperialist League of which Storey was president; Samuel Bowles of the Springfield *Republican*; Carl Schurz, himself a major general in the Civil War, whose loyalty and courage in battle no man could question; ex-Governor George S. Boutwell and Gamaliel Bradford, Sr., of Massachusetts—these were some of the men who never quailed before the bitterest attacks; who were lampooned and derided, vilified and scorned, but never yielded their faith that liberty is the just due of all peoples whether they be black or brown or yellow or white. If they are in Valhalla today, they must be having a triumphant reunion! How they must be rejoicing that the solemn pledge of every President since 1898 has had this partial fulfillment! How they must chortle when they recall the bombast of their opponents, the imperialists—such a statement as this of the late Senator Albert J. Beveridge: "The Philippines are ours forever . . . and just beyond the Philippines are China's illimitable markets. We will not retreat from either. . . . We will not renounce our part in the mission of our race as trustees under God of the civilization of the world. . . . Almighty God . . . has marked us as his chosen people [page Kaiser Wilhelm!] henceforth to lead in the regeneration of the world!"

They must be outraged, of course, at the sordid motives of many Senators who voted to override the President's veto, at the retention in perpetuity of naval and military reservations, at the tariff provisions written as if to invite disaster for the new nation. Still, that noble band of as pure and brave and high-minded and unselfish American patriots as ever lived must feel that they neither lived nor fought in vain. The Philippines are to be free! Whatever the future has in store they are to be free, and if again enslaved they will be freed again.

In reviewing my latest book in the *Herald Tribune* the other day George N. Shuster paid me the compliment of describing me as "famed as the world's champion writer of obituary notices for lost causes." I am more than that. I am a veteran chronicler of the *triumph* of many causes pronounced lost years before they triumphed—woman's suffrage, the economic and educational freedom of women, civil-service reform, the direct primary, freedom for the Filipinos, any number of others. Herein lies one of the great rewards of growing old in reform journalism.

Amos Garrison Kilgore

Scrambled Ergs

An Examination of Technocracy

By HENRY HAZLITT

I

THE American public, which loves slogans and hates thought, has now found a new toy to play with—Technocracy. With this magic password you open everything. Small wonder that the Greenwich Village studios and the Broadway theater lobbies buzz with the subject; it has driven out communism as communism drove out humanism, with the inevitability of Gresham's law. For to be a humanist implied not merely that one should speak of the Will to Refrain, the Via Media, and the Inner Check, but that one should read a little of Aristotle, Sophocles, and the Third Earl of Shaftesbury. To be a Communist, as the band-wagonists soon learned, did more than merely entitle one to shout "bourgeois"; it obliged one to plow through the horrible abstractions of Karl Marx, not to speak of an immense critical and historical literature. But one can become a Technocrat merely by reading two magazine articles and one newspaper clipping, and believing everything one hears. And is not Technocracy, also, brand-new?

I regret to begin by reporting that I have been unable to find in Technocracy a single new idea. What I find mainly is a confirmation of Santayana's aphorism that those who cannot remember the past are condemned to repeat it. Three-fourths of the new technocratic literature is given over to proving the thesis that machine labor is displacing human labor, that it is reducing the number of available jobs at an accelerative and appalling rate. If you read the Technocrats, you will get the impression that they are the first ones in history to believe this, and that the orthodox economists have wholly ignored the question. I direct the attention of the Technocrats to a curious volume I have come upon, called "The Wealth of Nations," written by one Adam Smith, and published in 1776. The first chapter of this remarkable book is called Of the Division of Labor, and on the second page of this first chapter the author tells us that a workman unacquainted with the use of the machinery employed in pin-making "could scarce make one pin a day, and certainly could not make twenty," but that with the use of this machinery he can make 4,800 pins a day. So already, alas, in Adam Smith's time, machinery had thrown from 240 to 4,800 pin-makers out of work for every one it kept. In the pin-making industry there was already 99.98 per cent unemployment. Could things be blacker?

Things could be blacker, for the Industrial Revolution was just in its infancy, and I direct the attention of the Technocrats to some of the incidents and aspects of that revolution. Let us take what happened in the stocking industry. New stocking frames as they were introduced were destroyed by the handicraft workmen (over 1,000 in a single riot), houses were burned, the inventors were threatened and obliged to fly for their lives, and order was not finally restored until the military had been called out and the leading rioters had been either transported or hanged. Now it is important to remember that in so far as the rioters were thinking of their

own immediate or even longer futures their opposition to the machine was entirely rational, for William Felkin, in his "History of the Machine-Wrought Hosiery Manufactures" (1867), tells us that the larger part of the 50,000 English stocking knitters and their families did not fully emerge from the hunger and misery entailed by the introduction of the machine for the next forty years. But in so far as the rioters believed, with the present Technocrats, that the machine was permanently displacing men, they were grossly mistaken, for before the end of the nineteenth century the stocking industry was employing at least a hundred men for every man it employed at the beginning of the century.

Arkwright invented his cotton-spinning machinery in 1760. At that time it was estimated that there were in England 5,200 spinners using spinning wheels, and 2,700 weavers—in all, 7,900 persons engaged in the production of cotton textiles. The introduction of Arkwright's invention was opposed on the ground that it threatened the livelihood of the workers, and the opposition had to be put down by force. Yet in 1787—twenty-seven years after the invention appeared—a parliamentary inquiry showed that the number of persons actually engaged in the spinning and weaving of cotton had risen from 7,900 to 320,000, an increase of 4,400 per cent.

If the reader will consult such a book as "Recent Economic Changes," by David A. Wells, published in 1889 and now out of print, he will find passages that, except for the dates and the absolute amounts involved, might have been written by our own Technocrats. Let me quote a few:

During the ten years from 1870 to 1880, inclusive, the British mercantile marine increased its movement, in the matter of foreign entries and clearances alone, to the extent of 22,000,000 tons . . . yet the number of men who were employed in effecting this great movement had decreased in 1880, as compared with 1870, to the extent of about three thousand (2,990 exactly). What did it? The introduction of steam-hoisting machines and grain elevators upon the wharves and docks, the employment of steam power, etc. . . .

In 1873 Bessemer steel in England, where its price has not been enhanced by protective duties, commanded \$80 per ton; in 1886 it was profitably manufactured and sold in the same country for less than \$20 per ton. Within the same time the annual producing capacity of a Bessemer converter has been increased fourfold, with no increase but rather a diminution of the involved labor. . . .

The power capacity already being exerted by the steam engines of the world in existence and working in the year 1887 has been estimated by the Bureau of Statistics at Berlin as equivalent to that of 200,000,000 horses, representing approximately 1,000,000,000 men; or at least three times the working population of the earth. . . .

And so Wells concluded, pessimistically, that "under such circumstances industrial overproduction . . . may become chronic."

We are now ready to look at the supposed figures for

our own day as the Technocrats breathlessly give them out. They tell us, with a great air of mystery and secrecy, that they have been engaged for years in working on an "Energy Survey of North America," and that they are not yet ready to reveal their dynamitic figures. Yet they have published magazine articles teeming with such figures; and the statistics so far published are certainly not such as to inspire confidence in those still to come. Wayne Parrish, in an article in the *New Outlook* on Technocracy, announced that "in pig-iron production one man working one hour can do what it took him 650 hours to accomplish fifty years ago." John H. Van Deventer, the editor of the *Iron Age*, has shown from actual census figures that the output per worker has grown in fifty years, not 650 times, but 23 times. The Technocrats tell us that in 1929 the steel output per man was 9.3 times the output in 1887, and that "a photograph of a modern steel-rolling mill in full operation will show a large plant without a human being in sight." The implication of this is that the progress of the machine has been displacing men from the steel industry at an appalling rate. The editor of *Iron Age*, again by consulting the census figures, found that in 1887 there were in the country 24 steel workers for every 10,000 of population, while in 1929 there were 32 steel workers for every 10,000 of population.

Simeon Strunsky, in the New York *Times* Sunday magazine section, has demolished other technocratic statements, again by the simple process of looking up official figures. The Technocrats have stated that one man with a machine in 1929 could produce 9,000 times as many electric-light bulbs as he could by hand in 1914. Mr. Strunsky, unearthing a bulletin published by the Bureau of Labor Statistics in July, 1927, found that machinery had increased the rate of productivity 30-fold, not 9,000-fold. In other words, barring a terrific increase in productivity in one and a half years, Technocracy has overstated the electric-bulb situation 300-fold. The Minneapolis flour mills, the Technocrats tell us, turn out 30,000 barrels a day per man. Mr. Strunsky finds that the figures at Washington show that in 1929 we produced in this country 154,000,000 barrels of flour. At the alleged Minneapolis rate this flour could have been produced by the labor of seventeen men. Actually, Mr. Strunsky finds, the milling industry employed in that year 27,028 men. He finds a similar discrepancy in Technocracy's figures for the brick industry, and he is forced to conclude that "American industry is operating with a labor force anywhere from 350 times to 1,500 times too big, if Technocracy's machines are realities instead of being only magnificent dreams."

This part of the ground has been covered so well by Mr. Van Deventer, Mr. Strunsky, and others, that there would be little point in piling up more figures of the same kind. Moreover, some of the statements they have refuted do not come from Howard Scott himself and are perhaps not "authoritative" in that sense. Further, it is sometimes alleged by the Technocrats that what they are discussing is not production as actually carried on, but production as it might be carried on if all industry used the best capital equipment and the most efficient machines yet conceived. But that is a tremendous *if*. Where is the capital to come from to effect this colossal change—to scrap, for example, all factories and machinery except the strictly 1933 model factories and machinery? There is no possible way of effecting such an immediate change, even if we neglected the produc-

tion of consumers' goods entirely. And if there were, it would not be economically desirable. The rate at which it is economical to scrap old machinery and build new machinery is strictly limited—and I am talking here from the standpoint of social costs and social utility and not at all from that of individual money profit. One must balance the labor hours saved over a long period by more efficient machinery against the labor hours immediately required to build that machinery.

But I wish here to deal with two factual questions that seem to me to go to the heart of the matter. Mr. Scott, in *Harpers Magazine* for January, makes the flat statement that the rate of replacement of men by machines has exceeded the expansion of industry. He asserts, in other words, that since 1918 there has been an increasing *net* decline in employment in the country:

A careful examination of available statistical information reveals that the high point in the number of industrial workers employed in this country in all industries was reached in 1918 and has with fluctuations declined more and more rapidly since that time.

Now if one concentrates one's attention on *factory* employment, this appears to be true. But it becomes increasingly doubtful when one surveys the whole field. What appears to have happened, as indicated by the census figures, is that workers laid off from or drawn out of factories have drifted into "service." Estimates based upon census compilations indicate that the number of persons employed in "service" industries increased from 35 per cent of the total number of persons gainfully employed in 1920 to 42 per cent in 1930. James S. Thomas, in an article in the *Nation's Business*, citing Department of Commerce figures, has pointed out that while 917,000 men were displaced from industry in the period from 1920 to 1928, 800,000 from agriculture, and 240,000 from the railroads—a total of 1,957,000—this decline was more than offset by the employment in the same period of 750,000 additional workers servicing and driving automobiles, by 100,000 more insurance agents, by 100,000 in electric refrigeration and oil heating, by 100,000 in construction work, by 232,000 more teachers and professors, by 125,000 in motion pictures, by 170,000 more barbers and hairdressers, by 750,000 more in personal service, hotels, and restaurants, by 200,000 more in radio.

Even without the census figures of employment, we should still have the significant barometer of wage-rate figures. If there had been increasing unemployment from 1918 to 1929, one thing would have been practically certain to happen: the unemployed would increasingly have competed with the employed for their jobs, and there would have been a fall in hourly wage rates, particularly for unskilled and non-union labor. Now if we turn to the figures of the National Industrial Conference Board on this matter, we find that the "real" hourly earnings (money earnings after allowance has been made for changes in living costs) of unskilled male labor increased 17 per cent in the decade from 1920 to 1930, when there was supposed to be increasing unemployment. The real hourly wages of all labor, skilled and unskilled, men and women, increased by 27 per cent in the same ten-year period.

The figures are all the more striking if we turn to the volumes, just published, carrying the report of the President's Research Committee on Social Trends. The follow-

ing table, based on the figures of Paul Douglas, gives the index number of "real" annual wages over a series of years:

1890.....	96	1918.....	104
1900.....	97	1919.....	105
1905.....	101	1920.....	106
1910.....	101	1921.....	108
1911.....	98	1922.....	113
1912.....	99	1923.....	119
1913.....	100	1924.....	118
1914.....	100	1925.....	119
1915.....	102	1926.....	126
1916.....	104	1927.....	128
1917.....	101	1928.....	132

Now the remarkable fact revealed by the foregoing table is this: that in the whole period of twenty-seven years between 1890 and 1917 the index of real earnings moved up and down within a range of 8 points; but in the ten-year period beginning with 1918, *the very year set by Howard Scott as that in which net technological unemployment at an accelerative rate set in*, real wages rose at a rate with which we have no comparable record.

This brings us to another point of even more central importance in its bearing upon the validity of the technocratic contentions. When anyone points out to a Technocrat that we underwent some pretty rapid technological advance in the century and a half prior to 1929 without its throwing us all on the sidewalk, the Technocrat invariably replies that the rate at which machines displace men and grind out goods is accelerative, and is now growing by leaps and bounds. But here, too, we happen to have real figures. At the height of the boom period, in February, 1929, when everyone was certain that we had entered a "new era" in which comparisons with the past were meaningless, B. M. Anderson, Jr., economist of the Chase National Bank, undertook to compare the "new era" of the seven years from 1921 to 1928 with another "new era," that of the seven years from 1896 to 1903; and one of the points in which he compared them was that of the increase in physical volume of production. He found that in this respect the old "new era" actually outstripped the new "new era." The physical volume of production in 1903 was 43 per cent greater than the average volume in 1894-95-96, whereas the physical volume of production in 1928 was only 35 per cent greater than the three-year average of 1919-20-21. The comparison might have been even more favorable to the old "new era" if Mr. Anderson had included a railroad-transportation index; this rose 77 per cent in the 1896-1903 period and only 35 per cent in the 1921-28 period. He omitted this, however, because it was impossible to know just how much traffic may have been diverted from the railroads by automobiles and motor trucks.

II

Perhaps this is enough so far as Technocracy's facts and figures are concerned. Yet Technocracy's figures, unfortunately, seem to be the only original thing about it. Several of its theories are just as fantastic, but none of them appears to be fresh. Mr. Scott's idea that wealth must be measured in terms of energy, as well as his intense aversion to "debt," seems to be derived from Frederick Soddy's "Wealth, Virtual Wealth and Debt," published in 1926: John Macrae, president of E. P. Dutton and Company, Soddy's American publisher, has drawn some deadly parallels here in quotation. Mr. Scott's idea that the country ought to be run by engi-

neers and technicians, as well as his intense aversion to "the price system," is clearly derived from Thorstein Veblen's "The Engineers and the Price System," published by the Viking Press in 1921. His fear of the machine, or technophobia (if I, too, may coin a word), is, as we have seen, as old as the Industrial Revolution. His theory of overproduction and crises goes back to Karl Marx, who in turn derived it from Karl Rodbertus, who published it in the 1840's.

Mr. Scott gives insufficient credit to his predecessors, and he does not appear, unfortunately, to have improved upon their ideas. Let us take the Rodbertus theory of crises. Rodbertus begins with the thesis that labor receives a constantly decreasing share of the social product. As the great mass of wage-earners have a diminished purchasing power, consumption fails to keep pace with production. A contraction of production follows, with unemployment and a further decrease in purchasing power, leading to an intensification of the crisis. Now the defect of this theory is that it is too good: it makes it difficult to explain why we are not always in a crisis, and impossible to explain how we ever surmount one. If the theory merely asserted that some crises were produced or aggravated by a temporary relative decrease in the distribution to labor as compared with capital, or by a temporary overinvestment, it would be quite defensible; but that would be another theory. Moreover, there is a very strong statistical reason for doubting the Rodbertus-Marx-Scott theory. If workers were getting a decreasing return, so that their purchasing power was growing smaller and smaller, while capitalists were taking an ever larger return, which they were practically obliged to reinvest in new capital plant, regardless of demand, because they did not know what else to do with it, then there would be a constant fall in the interest rate paid for long-term capital. But the average yield on fifteen railroad bonds, as compiled by Standard Statistics, actually rose from 4.05 per cent in 1900 to 4.34 per cent in 1928. In Great Britain, interest rates, as reflected by the yield on consols, have never since been as low as in 1894. This does not indicate an excess of capital.

Let us ask what the answer of orthodox economics has been to the contention that machinery displaces men. It admits that it may do so for a period and in a specific industry, but never permanently and over the whole field. For machinery that displaces men also radically reduces costs of production, and reduces them roughly in proportion to the percentage of men it displaces. If the demand for the product to which the labor-saving machinery has been applied is elastic (as it was for years for motor cars and as it may still be assumed to be for oil heaters, house-cooling devices, etc.), then a halving of the price will cause, say, a doubling of the quantity demanded; and so, though half the labor force would otherwise have been laid off, it will be retained or re-employed to make the added quantity. If the demand for that product is inelastic—that is, if cutting the price in half, say, does not increase at all the quantity sold—it will still remain true that buyers, by having to spend so much less for that article, will have again as much added purchasing power left to spend on all other articles; and other industries, consequently, will absorb the labor dropped from the industry into which the labor-saving machinery has been introduced.

This shorthand statement of the orthodox economic answer to the contention that machinery finally displaces men has to be supplemented in one very important particular.

The orthodox economists tell us that human wants are indefinitely expansible and virtually insatiable, but this is true only because, beyond a certain point, increase in wealth expresses itself through *qualitative* improvement rather than in merely quantitative terms. When a man's income increases from \$2,500 to \$25,000 a year he does not buy ten times as many hats, shoes, and suits, or buy ten Fords instead of one. He goes to swankier restaurants, more fashionable tailors, takes a much more expensive apartment and a country place, buys a Lincoln and a Packard. Part of this is merely snobbish display, but this is not true of a man whose income rises from \$1,000 to \$2,500 a year; the qualitative improvement is here an improvement in real comfort. And this is the answer to all those who, in the last decade, have been telling us so often and so glibly that we already have the industrial equipment to turn out everything we need, and that "the problem of production has been solved." It is true, for example, that we already have a roof of some sort over nearly everybody's head, but the overwhelming majority of Americans are still miserably housed; and while this condition lasts, it is fatuous to fear permanent and general "overproduction."

III

Even if the Technocrats were reasonably accurate in their figures, even if they were right in their theoretic interpretation of them, their program would still be impractical and irrelevant. They propose to abolish not only the gold standard, but the whole "price system," and to rate everything in terms of "energy." "It is the fact that all forms of energy, of whatever sort, may be measured in units of ergs, joules, or calories," Mr. Scott tells us (and the passage is all in italics), "that is of the utmost importance. The solution of the social problems of our time depends upon the recognition of this fact. A dollar may be worth—in buying power—so much today and more or less tomorrow, but a unit of work or heat is the same in 1900, 1929, 1933, or the year 2000." I beg to remind Mr. Scott that a dollar is 25.8 grains of gold, and that 25.8 grains of gold is also the same in 1900, 1929, 1933, or 2000. Of course the value of this gold may change, but so, also, may the value of an erg. I should like to remind Mr. Scott further that energy has no economic meaning except on terms of value. The energy that pours over Niagara Falls is the same, harnessed or unharnessed, but what concerns us is whether it is harnessed, and for what purposes. Man cannot create energy; he can merely transform it. What he attempts to do is to transform it into forms of higher and higher value. That being so, it is the value that matters, not the amount of the energy. If it were only energy that was important, we should all want to live on the sun, which discharges 3.79×10^{33} ergs every second, of which all the planets taken together get only 1/120,000,000 part. "Value," Mr. Scott tells us, "cannot be measured; it has no metrical equivalent." If that were so, it would be extremely regrettable, for it would be impossible to measure the relative values of goods against each other, and it would hence be impossible to know how much of each thing to produce in accordance with the social cost of producing it. Would it be possible to base a currency on ergs? Well, recently someone suggested an "electric dollar" based on kilowatt-hours. One wonders what this gentleman imagines "based on" to mean. In the case of the gold standard it means redeemable on demand in gold. Therefore

an electric dollar would be one redeemable in kilowatt-hours. If you became nervous, and thought that the country was going to be driven off the kilowatt-hour basis, you would rush around to the local government power-house and demand your kilowatt-hours, whereupon, presumably, you would be electrocuted. If there were a lack of balance in foreign trade, would England ship us kilowatt-hours? One might as well propose a currency based on Pi—on the ground that this never varied, but was always 3.1416—and that it be made redeemable in diameters, because there is an infinite number of them in every circle.

Finally, Mr. Scott, following Veblen, wants the engineers and technicians to control us. But the first job of an engineer is to find means to realize ends, and Mr. Scott and his associates have still to reveal any technique for realization. Apparently they expect to say to the politicians and captains of industry: "Come on, boys, you're incompetent; we're the ones with the brains; hand it over." Mr. Scott, I observe, finds that "economists" are "things of the past," as well as "the bankers, the industrialists, the Marxists, the fascists, and the soldiers." Now if I may presume to remind a disciple of the words of his master—or at least of his source—I beg to point out to him that Veblen, in originally suggesting his "soviet of technicians," remarked that the production engineers would require "the services of an appreciable number of consulting economists," for "the technical training that goes to make a . . . production engineer . . . is not of a kind to give him the requisite sure and facile insight into the play of economic forces at large." Mr. Scott reveals how much an engineer may lack this economic insight.

I have devoted all this space to examining the statistics and the ideas of the Technocrats, partly because the group has attracted so much public attention, and partly because its ideas represent a *reductio ad absurdum* of many of the fallacies and misconceptions that have been rampant in the last decade. The problem of technological unemployment demands attention; the suffering caused by that unemployment, while it lasts, is grave and widespread. But it is far from the major cause of our present difficulties. When car loadings are 57 per cent of normal, when steel production is 17 per cent of normal, it is obvious that the men laid off by the railroads and the steel companies were not displaced by machinery. The remedy for technological unemployment lies in the assumption of social responsibility for it—in compulsory unemployment insurance, government employment agencies, perhaps governmental industrial training schools. And when we come to that millennium when everything in the world will be produced by one man's pressing a button, even that total unemployment will be perfectly satisfactory if each man owns his proportional part of the machines or gets his proportional usufruct. If capitalism cannot assure this ultimate distribution, we shall have to try something else. In the solution of this problem, one fears, little help is to be expected from men who have grossly misrepresented the current facts, and whose theoretical ideas are so hopelessly vague and muddled. We have had an economic panic; let us at least head off an ideological one.

In our next issue we shall print a second, more favorable article on Technocracy, by Archibald MacLeish.—EDITORS THE NATION.

Capitalist Confiscation

By ERNEST GRUENING

PRIVATE property is the cornerstone of our economic order. Whether we refer to it as capitalism, the profit system, or the price system, the existing economic structure rests on the sanctity of private ownership. Subject only to the police power of the state, the rights traditionally implicit in personal possession have been deemed inviolate. The profit and enjoyment of what I own, the determination of its usage, belong to me. If I want to shut down my business, halve or double its activity, regardless of the consequences to employees or community—that's *my* business. Such is the concept underlying our contemporary society. Attacks from the "left" designed to stress the superiority of human over property rights have thus far made small impression on the intrenchments erected through the centuries. Neither the theory nor the practice of private ownership has in America yielded appreciably to the assaults of collectivism.

Yet private ownership in America is being destroyed. Paradoxically, the fundamental change in the nature of ownership comes from the citadel of capitalism, has arisen from the ark of acquisitiveness itself. It is the corporation, that creature of our complex society, which is sounding the doom of long-cherished ownership concepts. It is, moreover, the actual implement of destruction. The change has stolen upon us unaware, greatly accelerated in the late era of conservatism. The myth of private ownership with all its appurtenances persists. But the stark fact has become demonstrably otherwise.

This transformation, lucidly exposed in an epoch-making volume by Adolf A. Berle and Gardiner C. Means of Columbia University,* is revolutionary. For individual ownership, personal property rights, and economic autonomy "a corporate system has been substituted—as there was once a feudal system," which is still headed toward its zenith.

How did this change come about? It is, first, a product of the industrial revolution. It is, next, the concomitant of great and rapid growth. The joint-stock company became noticeable three hundred years ago for the pursuit of overseas exploration and exploitation. It was still a relatively unimportant and feeble institution one hundred years ago. Ownership of the means of production originally spelled a three-fold relationship—ownership, management, and labor—which persists today only in the case of the small independent farmer. The labor participation was the earliest to disappear. Ownership and management, however, long continued one and inseparable, a status not materially changed by the delegation of management. Management was merely hired—like any employee.

In the corporations of the early nineteenth century, the number of stockholders was small and the structure of the company simple—a division of the capital actually "put up" into one class of shares—so many shares for so many dollars. Ownership determined a company's policies. Such officials as were intrusted with control were in a very true sense both

trustees and employees of the capitalists. Little by little the owner has become widely separated from control, and today receives in exchange for his capital a token of dubious value dependent for its worth on factors wholly beyond his power to affect. And whereas the original delegated control was not only supposedly, but actually, functioning in the interests of the owners, ownership and control have through their wide separation become actuated not only by different, but often by radically opposed, interests.

Over three-quarters of all the wealth in the United States today is corporate. Three-quarters of the possessions of the people of the United States are represented today not by tangible goods, but by pieces of paper. And of this, 200 great organizations control 38 per cent. There were in 1929 over 300,000 non-financial corporations in the United States. The largest 200 of these, fewer than .07 per cent of the total, control an amount which is rapidly approaching half the people's corporate wealth. In 1929 this amounted to over \$81,000,000,000. At the 1924-25 rate of change they will control 85 per cent of the national wealth by 1950.

The shifting of ownership from the original owner or investor to a "remote control" comprises many steps. Each step has spelled a weakening of the stockholder's position, a lessening of his power to determine the disposition of his property. The "control" of a corporation, exercised by relatively fewer and fewer men, has little by little encroached on the supposed rights of the owner-shareholder and diminished the value of his holdings. The power to issue additional classes of stock is one method of diluting the value of shares already outstanding. Directors may insert class after class of stock with rights prior to those of an earlier investor. Stock-purchase warrants, a recent innovation, carry this process farther. A warrant is an option permitting the holder to purchase one or more shares at a price stated in the warrant. In the event of diminished earnings the warrant is presumably not exercised. But if the prospect is favorable, the additional flotation of stock diminishes proportionately the existing stockholders' equity.

"No-par-value" stock brings about a similar result. In practice it represents a gross discrimination against those who have bought other classes of stock at par. "Blank stock," another recent artifice, is nothing other than a blank check for the directors. Moreover, securities of a corporation may, through the original—or easily amended—charter provisions, become convertible at the option, not of the holder, but of the corporation management. "Paid-in surplus" is available today at the will of the directors for the payment of dividends—a disbursement of the stockholder's potential participation. Other analogous devices exist.

Bookkeeping, developed into a fine art, and court decisions—or the absence of court decisions to prevent unprecedented encroachment—are permitting these changes. The courts have held that a non-cumulative preferred dividend passed need not be made up. A company earning a handsome profit may, at the option of the directors, pay no dividends for years on either preferred or common stock, and then with

* "The Modern Corporation and Private Property." By Adolf A. Berle, Jr., and Gardiner C. Means. New York: Commerce Clearing House. \$2.50.

the accumulation of a vast surplus, begin paying its limited 7 per cent on the preferred, and 50 per cent on the common. The preferred stockholder has no redress. The "control" may manipulate the stock in half a dozen different ways to the detriment of the individual shareholders. It can—despite the much-invoked "due-process" clause of the Fourteenth Amendment—virtually confiscate his property.

Fixing the price at which securities are floated is a right exercised by the inside "control," which in practice often works out to the outside shareholder's disadvantage. If the price was too high, and the stock's value shrinks, he loses. If the price is destined to rise, others closer to the control than he may first drain the potentialities of profit to their own advantage. In theory they are not supposed to do this; in practice they may, can, and do. Into the question of price and salability of the stock certificates—the one visible token of ownership—enters a variety of factors in which the investor is helplessly dependent on the "good faith" of others, whose judgment may first of all be awry and, more important, whose interests do not coincide with his. Brokers' statements, on the basis of which securities are sold at the price fixed, may be truthful as far as they go, but seldom are the whole truth. Accounting manipulation for the purpose of showing abnormal profits is not uncommon practice. Unless direct fraud—deliberate, conscious misstatements—can be demonstrated, the investor has no redress. Abjurations of responsibility and disclaimers of guaranteeing the validity of statements—appearing in small type in the circulars and seldom observed by investors, or, if observed, disregarded by them—give the banking-promoter group a legal loophole.

What has become of the theoretical safeguards of the stockholder? Steadily they have diminished almost to the vanishing-point. The control of the corporation vaguely resides in an inner group which can, with increasing difficulty, be held to effective accountability for mismanagement or erroneous judgment. The control is almost universally exercised, not merely by a minority stock ownership, but increasingly by a fraction so small as to be fantastic when contrasted with the supposed rights of ownership. Even a 1 per cent actual investment is no longer essential for the control of millions, indeed billions, of dollars of other people's money. The proxy system, in theory the opportunity to voice approval or disapproval, has become a snare and a delusion as far as the individual stockholder is concerned. Actually, it has been perverted into a means of perpetuating existing control. Voting trusts produce a similar result. "Pyramiding," the repeated subdivision of controlling stock through a system of superimposed holding companies, is an increasingly common method of securing control of more and more with less and less!

Only 5 per cent of our 200 largest corporations and only 2 per cent of the billions which they represent are today controlled by majority ownership. Against such a set-up the individual stockholder, however aggrieved, is essentially helpless. Seldom does he possess the means to engage successfully in a legal contest with a corporation. Even in those rare cases when he wins a suit, he is apt to be a victor in principle but a victim in fact.

The new power exercised by the "control," originally a purely delegated power, a responsible trusteeship, has become responsible not to ownership but to itself—that is to say, to no one. Existing legal machinery cannot cope with

it. "The concentration of economic power separate from ownership has in fact created economic empires and has delivered these empires into the hands of a new form of absolutism, relegating 'owners' to the position of those who supply the means whereby the new princes may exercise their power."

It follows that the shareholder in the modern corporation has "surrendered a set of definite rights for a set of indefinite expectations." How ironical is the conclusion of Messrs. Berle and Means that "the only example of a similar subjection of the economic interests of the individual to those of a group . . . is that contained in the Communist system"! Thus the American property-"owner" has become simply supplier of his savings to an economic super-state. He is hopeful of receiving a wage on that capital. What that wage shall be or whether, indeed, he shall receive any wage at all, is a matter determined wholly by others. He bids fair to be a capital-wage-slave!

Who exercises this startling confiscatory power? Who really controls the wealth of the nation? For whom do 125 millions labor and save? The "control" is centered in fewer than 2,000 individuals, those who dominate the great corporations that in turn dominate American economic life. Actually, this control is far more concentrated than even the number 2,000 implies. The interrelation of great industries, the interdependence, for instance, of the fuel supply—coal, oil, and electric energy—with the utilities and the manufacturing industries, makes for even greater actual concentration of power. The largest corporations are growing the fastest. They are steadily waxing by merger and purchase, engulfing mammoth but lesser units and vesting more power in the individuals at the top.

It is scarcely necessary to cite specific examples of the disastrous consequences of this new irresponsible control. The financial history of the last three years is replete with them. Fill in the names of the "securities" which you "owned," and reconstruct your personal relation to what has happened in America!

The implications in this capitalistic confiscation of property are far-reaching. We may confine ourselves here to the conclusion of those who have with admirable scholarship clarified this trend—Messrs. Berle and Means. With private ownership in process of abolition, the control groups are unwittingly clearing the way for the claims of a group far wider than either the owners or the control. They have placed the community in a position to demand that the modern corporations serve not only the owners or the control but all society. This is a wholly new concept of corporate activity and motivation. But it follows logically.

Sing us no song of property rights! Where have they been less sacred than in America in the last three years? When has economic security been more ruthlessly trampled under foot? When before in our national life has confiscation been so extensive and intensive? And today, in seeking to recover some measure of stability, the people (not to mention the corporations) look as never before to the state—but to the state merely as an agency for economic resuscitation. How inevitable, therefore, that in a self-governing democracy the people will proceed from control of the political state, and by means of it, to control also of the now uncontrollable economic super-power, a conquest essential if we would make "life, liberty, and the pursuit of happiness" other than a travesty.

Filibusters and Futility

By PAUL Y. ANDERSON

Washington, January 21

NOW that the tempest of denunciation aroused by Huey Long's filibuster has subsided, will one of the more fiery denouncers oblige by stepping forth and naming a few of the "vital measures" which were impeded by it. The suggestion is advanced not as an excuse for the filibuster—I do not excuse it—but to expose the hollowness of the general hue and cry against it. The filibuster focused attention on a disgraceful situation. But the disgraceful fact was not that a few men blocked consideration of a general program of relief and rehabilitation, but that no such program existed. From a practical standpoint it is no exaggeration to say that the Senate might just as well have been occupied with a filibuster; there is nothing to show that it would otherwise have been more usefully engaged. All plans for a new tax bill at this session have been abandoned. Prohibition repeal is hopelessly bogged. Senate committees are dallying half-heartedly with the beer and farm bills, convinced that Hoover will veto them if passed. Despite the appalling picture of misery, sickness, demoralization, and general degradation of body and spirit which witnesses have painted before the Senate Manufactures Committee in recent weeks, party leaders in both houses have manifested but faint interest in the La Follette-Costigan bill for direct relief or in Senator Wagner's demand for a broadening of the relief activities of the R. F. C., and the Administration has manifested none whatever. The general disposition is to leave everything to the special session under the new Administration. It is even questionable whether all the appropriation bills will go through before March 4. At the most critical stage in its peace-time history the government has virtually ceased to function, save for the discharge of routine duties. Little serious blame can be laid on the men who delayed action on the Glass banking bill for a week or ten days. The grave indictment lies against an Administration which delayed relief for two years. Huey's offense consisted in furnishing an excuse for renewed propaganda against the Senate rules. However, those Treasury officials who have been digging into Huey's income-tax returns had better beware lest they make a martyr of him. A large disaffected element in this country is waiting for just such a leader.

* * * * *

THROUGH the murk of executive futility and Congressional procrastination a single ray of light has begun to shine. It originates in the determination of organized labor, represented by the railway brotherhoods and the American Federation of Labor, to exert every ounce of its influence to obtain relief legislation during the present session. Any politician can testify that this is not an influence to be ignored safely. The program embraces measures for permanent recovery in addition to emergency relief, and it is interesting to observe that labor, instead of business or the economists, has taken the initiative. Labor men know from practical experience that such measures can be achieved only through political action—a fact which it might profit the

economists to learn. Under the head of emergency relief, labor demands enactment of the La Follette-Costigan bill appropriating \$500,000,000 for direct aid to States and municipalities from the proceeds of a federal bond issue. As permanent measures it urges passage of the Costigan-La Guardia bill establishing a corporation similar to the R. F. C. except that it would finance unemployed workers instead of banks and railroads, thus stimulating increased consumption and production; and a civil mobilization of national resources for the inauguration of economic planning under the leadership of the President and the Cabinet. After the interminable pouring of public funds down the rat hole of bankrupt railroads and one-way banks, these proposals have a refreshing novelty. I am informed that local labor-union officials throughout the country have been ordered to turn the heat on their Congressmen and Senators, so it is possible that we may see some action. Not expressly included in the labor program, but vigorously favored by labor and by many employers, is the admirable bill introduced by Senator Black of Alabama, which would prohibit the interstate shipment of commodities produced by workers employed longer than six hours a day or more than five days a week. An interesting phase of the hearings on this measure has been the appearance of several enlightened employers who told the Senate Judiciary Committee that the salvation of their businesses depended on the adoption of the thirty-hour week.

* * * * *

IT is apparent from his conversations here that Roosevelt remains soundly wedded to his idea that farm relief should come first in the program of recovery, and, accordingly, we may look for the enactment of the domestic-allotment bill early in the special session. Although it is open to obvious objections, I cannot escape the impression that widespread misconceptions prevail concerning it, and that it offers more hope than any plan yet advanced. It has this great advantage over the equalization fee and the export debenture, that it places a premium on crop reduction, whereas the others would have encouraged further overproduction. It is true that the plan offers bounties to the producers of certain commodities, but so does the tariff. It is true that consumers of these farm products will have to pay the increased prices received by the farmer, but who else should pay them? If it is admitted that the country cannot be prosperous until agriculture prospers, and that the farmer cannot make a living selling his wheat at thirty cents a bushel, then it seems to follow that we must pay more for bread. It is significant, to this writer at least, that such a mature student of the problem as Dr. Edwin G. Nourse, agricultural economist on the staff of the Brookings Institution, considers the plan the best that has been devised. However, he has repeatedly stated that in the beginning its application should be restricted to not more than two commodities (wheat, if one; wheat and cotton, if two), and I note that Roosevelt has adopted that identical position. If anyone has a better plan, let him produce it.

DURING the boom years it was impossible to excite much indignation over the billions which Uncle Andy Mellon's subordinates were shoveling out of the Treasury in the form of tax refunds. From time to time your correspondent emitted feeble howls on the subject in this place, and Jack Garner publicly charged that refunds were being made to persons who had contributed to Republican campaign funds. But the goose hung high in those days, and the average man was satisfied if he felt he was getting his. However, when it was disclosed a few days ago that the Treasury had granted an abatement of \$5,870,000 and a refund of \$45,000 to the estate of Ogden Mills, father of the Secretary, a shudder of horror ran through Congress. Inquiry revealed a truly amazing set of facts. In the first place, Secretary Mills is executor of the estate, and as such made the return upon which his subordinates based the original assessment. Afterward a claim was made, and the assessment was revised. Consequently, as described on the Senate floor, the procedure was as follows: Executor Mills, acting on behalf of Taxpayer Mills, made the original return. More than a year later Taxpayer Mills lodged a claim with Secretary Mills, representing that Executor Mills had overvalued the estate. Secretary Mills, through his subordinates, examined the claim, decided that Executor Mills had been in error, and ordered that a refund be made to Taxpayer Mills. So far as I know, this is the first recorded instance in which a man won a large amount at solitaire. It seems a pity that those who need it more are not as lucky.

RECENT developments in the Senate "investigation" of the stock market, including the abrupt resignation of Irving Ben Cooper as chief investigator for the Banking and Currency Committee, make it abundantly plain that the committee is prepared to abandon the inquiry with a minimum of ceremony. Cooper's discovery that he was not to have a free hand in investigating the New York Stock Exchange was but the latest in a series of such discoveries by the investigators who preceded him. I see no need to mince words: the fact is that the committee is unwilling to unearth additional facts. Despite the curious light which later evidence has shed on the original testimony of President Whitney of the Stock Exchange, he has not been recalled or asked to explain. Michael J. Meehan, radio "specialist," who was conveniently absent from the country when the committee was looking into the radio pool last year, has returned home, but no effort has been made to subpoena him. When it meets at all, the committee pokes idly into such thoroughly investigated matters as the Kreuger and Toll crash, under the guidance of "counsel" consisting of a former newspaper reporter who is not even a member of the bar but who managed Chairman Norbeck's campaign for reelection last year. Someone has torpedoed the inquiry well below the water line. Discredited and derided, kicked and mauled all over the lot for three long, sorry years, Wall Street still knows a trick or two. But what have such men as Glass, Couzens, Blaine, and Wagner—all members of the committee—got to say for the performance?

The "Revolt of the Masses" in Spain

By BAILEY W. DIFFIE

SPAIN'S subsiding revolt is the fourth strong revolutionary movement since the establishment of the republic in April, 1931. The first of these, promoted by the Anarcho-Syndicalists and the Communists, broke out in Seville in the summer of 1931. The second occurred in Barcelona and Catalonia in the first days of 1932. It too was promoted by the Anarcho-Syndicalists and Communists. The third struck principally in Madrid and Seville, but this time it was a movement led by the Monarchists with General Sanjurjo at its head. The recent uprising centered mainly in Madrid, Barcelona, and Seville and was the most determined move yet made by the proletariat. There have been, thus far, three strong efforts to replace the present government with another more responsive to the worker's needs.

Revolts, however, have not been confined to these four movements. A reading of the American papers fails to discover the fact—which is apparent when the Spanish papers are followed closely—that from the day it was declared the Spanish Republic has been confronted with a constant and unceasing revolt. Borrowing the title from one of the most famous of Spain's revolutionaries, José Ortega y Gasset, we may characterize it as the "Revolt of the Masses."

Revolution by the Monarchists was to be expected, for no privileged class has ever given up its power without a struggle. But some explanation is needed to show why the people—the workers—of Spain have carried on an unwavering campaign against the "democratic republic of workers of

all classes." To say that the original rising of April, 1931, merely began the revolution would be to say only what can be said of every revolution. Furthermore, it is the first and most persistent claim of the present government. Every statement and every interview given out by its members reflect the belief that Spain's revolution is marching along at a satisfactory pace, or at least as fast as is consistent with the difficulties of the situation. But there are thousands among the "masses" who do not believe the speed to be fast enough.

Two chief reasons may be cited for the continuance of the disorders: the existence of a small but well-organized proletarian opposition with a theory of government different from that of the present regime; and a general economic *malheur* among the lower classes which the republic has not yet been able to cure. Proletarian opposition to the present administration is centered in a sort of "Triple Alliance" of Anarchists, Syndicalists, and Communists. This paradox needs an explanation, since the Anarchists believe in no government, the Syndicalists in a control by labor unions, and the Communists in the maximum amount of regulation.

Spanish Anarchists have been followers of Bakunin since 1869; anarchism became the first powerful class movement in Spain. Syndicalism entered later by way of France, and finding its natural environment in the industrial region of Catalonia, already occupied by the Anarchists, settled there. These two movements, with the common ground of opposition to all government and the common belief in "propa-

ganda by deed," naturally grew together. Another factor that served to unite them was their stand against political action. The result was that while each continued to have its separate organization, the members were frequently identical, and when the Confederación Nacional del Trabajo was formed, it was in a sense an alliance of the two movements, since its form was Syndicalist and its members were both Syndicalists and Anarchists.

Communism entered Spain after the Russian Revolution. In 1921 the Spanish Socialists sent a delegation to Russia to consider affiliation with the Third International. This delegation rejected the Russian program, and the Spanish Socialists remained outside, but a small group of dissenters joined with the Third International and organized a Spanish section. The gulf between the Anarcho-Syndicalists and the Communists was wide, but both hated the Socialists. When the Republican revolution threw the Socialists into the government as the strongest single element, the differences between the Anarcho-Syndicalists and the Communists dwindled and they have worked in concert in opposition to those at present in power.

The Communists have used their well-known infiltration tactics; they pointed out to the Anarchists and Syndicalists that while their bitter and far less numerous opponents, the Socialists, were conducting the government, the Anarcho-Syndicalists were still outside facing the guns of the dreaded Guardia Civil, now at the service of the Socialists. The Communists argued that the votes of the combined Anarchists and Syndicalists would have elected a strong delegation in the Cortes and that it would have been easy to seize control of the state. This argument has not been without its effect. The Communists have shown increasing strength, and they have been at the center of the numerous strikes and revolts. While carrying on the propaganda of deed they have also been able to convert many workers from socialism and syndicalism to communism, in preparation for the time when, in accordance with their methods, a crisis would permit them to overthrow the government.

The first cause of the revolts, then, has been the presence of well-organized and well-directed proletarian masses who have followed a policy of violence at all times, and who have not missed a single major opportunity to strike at their enemies in the government—the Socialists as represented by Prieto, de los Rios, and Caballero, and the bourgeoisie as represented by Prime Minister Azaña.

The second cause of the revolts is the presence of general and widespread poverty and unemployment among the masses. Unemployment is relatively small in Spain (the highest estimates are about 2 per cent as against 10 per cent in the United States), but urban poverty and subsistence farming are endemic. The industrial worker in Catalonia, the small farm-owner in Asturias and Castile (Señor Madariaga says that "out of 1,026,412 landowners paying taxes, 1,007,616 'enjoy' incomes below eight pesetas a day; of these, 847,548 landowners have incomes below one peseta"), and the landless peasants in Andalusia have suffered for centuries. They accepted these conditions in comparative silence until the inauguration of the labor movements in the last century. But they were prepared to welcome a new movement, as is demonstrated by the two million members that labor organizations now have.

The republic promised them a "new deal." They have

not got it. The farm peasant of Andalusia expected to receive the land. "The peasant," said Francisco de Cossío, noted writer of Spain, "full of confused ideas, does not distinguish between republicanism, socialism, communism, and syndicalism. They are to him all synonyms. They are reduced to the idea of the *division of the land*, or still more, to the idea that the present owners will become workers and they proprietors." So hundreds of peasant farm workers sought to divide the land, and frequently gathered to survey and allot the lands of their employers. They were prohibited by the Guardia Civil, and it was no comfort to them to know that a Socialist government commanded the soldiers.

Poverty and misery continued in the rural sections. Some efforts were made to raise wages and much was accomplished, but not enough. Soon after the coming of the republic, it was pointed out by Indalecio Prieto, now Minister of Public Works, that the Andalusian farm worker received but three and one-half to four pesetas (now about thirty to thirty-five cents) a day. This wage has been increased somewhat since then, but the standard of living is still entirely too low. Urban workers, too, were bitterly disappointed. They expected to man the factories, take possession of the mines, and reap the benefits formerly accruing to the owners. Instead, they were shot down by the Civil Guard as they were before the republic was set up. Their living costs rose with the fall of the peseta, for much of Spain's food comes from abroad. Fanciful tales of a 40 per cent reduction of house rent were spread and believed, and when no reduction came the people drove rent collectors off with sticks and stones, and for this the police arrested them. The worker of every class had welcomed the republic as the rocket by which he might be propelled from the mire to the millennium, but instead he found himself little, if any, better off. It was impossible for him to understand that Spain, caught in the world depression, was powerless to achieve all the benefits promised.

In the meantime the unemployed saw the budget for armaments increase, while they were told that there was not enough money to carry out the agrarian reform. It is the same story repeated so often before in other countries: to a new government three months, or even three years, is much too short a time to remedy social abuses and economic ills already centuries old. The men of the new order thought the pace terrific, but to the unemployed and underpaid three months or three days was a long wait for a "new deal."

The words of a Seville political leader, Martinez Barros, explain the cause of unrest. "Hunger leads to desperation and violence. For the hungry worker a few inflammatory phrases are a call to arms which leads them to protest although the protest may mean death." The "Revolt of the Masses" in Spain has only begun. If the present regime can solve the economic problems it will maintain itself; but if not, it will fall before the people as Alfonso XIII did. The Spanish Revolution is a people's revolution. The people want economic justice. If it is not given them by Azaña and the Socialists, they will instal the Communists and Syndicalists. It may be said that as long as the army and the Guardia Civil are faithful, the government cannot fall. That is true, but the lower ranks of both come from the proletariat. They refused to fire on the people to support the Monarchists. The time may come when they will refuse to fire on the people to maintain the "Workers' Republic."

Want to Make a Revolution, Missus?

By ANN WASHINGTON CRATON

I CLIMBED wearily to the top floor of a Bronx tenement to inquire for the Capucci family. There were several women in the halls and on the stairs, and all the doors were open to let in a little air on that breathless August day. From the few words in English and Italian which I overheard I was aware that they were discussing me. "An investigator," they were saying to each other with unmistakable scorn, and they all trailed upstairs after me. Mrs. Capucci could speak no English but Mrs. Albertini was ready. She was the official translator of the tenement. Already she had answered the "same old questions" eight times for Mrs. Capucci, but still her man had not been given a job. She was skeptical now. Had she not answered questions twelve times for Mrs. Giovannini and was not her husband still waiting for his chance to work in Bronx Park?

"I never get time to do my work," Mrs. Albertini stated with pardonable pride. "It's either an investigator or the people who want to make a revolution."

I professed interest in the "people who want to make a revolution." She explained volubly that a committee came to your door. "'Missus, missus,' they say, 'do you want to make a revolution, missus? Sign your name to this paper.'"

"I no want to sign," Mrs. Albertini explained to me. "My man has a job. He is a motorman on a one-man street car. It is a hard job. His pay is cut. He works four days a week. He is tired all the time. But if I make a revolution, maybe he will lose the job. I no want to make a revolution. Now I don't have to get relief and be investigated. Some day, if he loses the job, I'll make a revolution."

"The committee no like it. They say, shame, shame, shame, everybody on this street wants to make a revolution but the people in this tenement. So I say shame, shame, shame, let's go see Mrs. Capucci, maybe she wants to make a revolution. But her man works two days in Bronx Park for the relief. The Work Bureau used to give him three days and pay him \$15. Now he gets \$10 a week. Her children starve and suffer. They cry for bread. But Mrs. Capucci is afraid maybe he'll lose his two days so she no wants to make a revolution."

"The committee says, shame, shame, shame, what's the matter with the people in this house? So I say, shame, shame, let's go see Mrs. Lo Casale. Mrs. Lo Casale no open the door. She says the Home Relief paid her gas bill and promised to pay her rent, she no want anybody making a revolution at her door."

"The committee gets mad, mad. So I say come quick and see Mrs. Farino. Last week she wanted to make a revolution. But Mrs. Farino was washing the clothes and the baby burned his fingers on the stove and she says, 'Get the hell out, I no want to make a revolution today.'"

"After that the committee says everybody in this tenement deserves to starve, but they give me papers and they tell me to listen to speeches in the street. They no come back any more. But every day the children in this tenement cry more and more for bread. What are the poor people

going to do, missus? Missus, do you want to make a revolution?"

Despite the heat and the fact that my next call was ten blocks away, I decided against it. She shrugged her shoulders indifferently. "You have a good job, maybe, all the time bothering the poor people, who haven't got bread for their children."

The neighbors gathered around were indulging in excited, angry conversation. It seemed that they were discussing the tactics of making a revolution. Mrs. Capucci believed that it meant going to street meetings and reading papers. Mrs. Farino, who had joined us by this time, disagreed. You registered for the Democrats so that your man did not lose his job, but you voted for the Communists. Mrs. Albertini insisted that you threw milk bottles at the police. Mrs. Giovannini, whose man had never got a relief job and who had had no home relief despite being investigated twelve times, wanted to go to the Home Relief Bureau and chase out the investigators and take the food tickets.

It appeared to be time to intervene. I suggested that if it were to be that sort of revolution, Mr. Hoover might call out the troops as he had done in Washington against the bonus marchers. Their faces were blank. No one had heard of Mr. Hoover's making a revolution. Some of them could read Italian newspapers, but who had pennies today for newspapers? The children brought home American papers picked up in the streets but they only read jokes to their mothers. All the women became indignant at their children for reading jokes when the soldiers and Mr. Hoover were making a revolution. They lapsed into more excited Italian. As I went downstairs their voices followed me. Mrs. Farino had again decided that she wanted to make a revolution.

In the Driftway

TO the average urban American, the body is a lump of flesh to be deposited at a desk at nine in the morning and taken home again at night, bundled up in overcoats, laced into shoes, and poured into stiff shirts. The nerves and the mind (such as it is) make all the decisions, run all the races. The body, battered into insensibility by the unrelenting pressure of noises, sights, and smells, drags through the days and sinks at night into a sleep of exhaustion that eight years, let alone eight hours, could not wipe away. The Victorians, in their most prudish days, never achieved a more complete separation of body and mind than modern city civilization has unwittingly produced. The urban American is never aware of his body until it gets sick and causes pain. The play of muscles, the satisfaction of controlling and using a delicate, coordinated physical machine—these are pleasures quite remote from the temper and tempo of our life. And D. H. Lawrence was not mistaken when he told us, in no uncertain terms, that even the sex life of moderns is a mental affair. It has more to do with the theories of Freud than with the satisfaction of physical emotions. The fact that we have made no provision for allowing the body to function as it should does not mean that we have done away with the need for it. Since we have no time for any pursuit which does not pay a living wage, those of us who are not professional athletes must get the pleasure of physical control

vicariously, through watching the acrobats who crowd our vaudeville stages or, more rarely, the dancer who uses his body as a medium of art as well as a physical machine.

* * * * *

TO Shan-Kar and his group of Hindu dancers who are one of the current exotic sensations of New York, the body is an instrument more various and subtle in its possibilities for artistic expression than the keyboard of a Steinway or the range of colors available to a painter's brush. To watch Shan-Kar as he moves through the ritualistic dances of an ancient civilization is to be made aware of the body as a beautifully tempered, perfectly controlled medium of complicated expression. For the harried Westerner, fresh from the raucous depths of a modern subway, it is no easy matter to slip into a world so alien as Shan-Kar's. Indian music—subdued, stylized, minor, and unhurried—falls on the strenuous Western mind like rain on a raging torrent. It is said that the Western ear is incapable of hearing certain notes in Chinese music. Certainly in Shan-Kar's dancing there are half-notes and quarter-notes of physical movement which the Western eye is not capable of seeing. But the spell grows. The dance of the snake charmer, which opens the performance, though it is elementary and explicit and obviously designed to lead the observer by an easy stage into later subtleties, is not simple enough. The mind is not engaged. And yet, so persuasive is the art of Shan-Kar that by the time he dances the Gandharva, which is perhaps the most subtle, the most stylized, and the most completely alien in mood and significance to the Westerner, since it is purely religious, his audience is completely under his sway.

* * * * *

THE body, as a friend of the Drifter's recently remarked, is all we have. To have created a civilization which is inimical even to mere physical health, not to mention the more subtle satisfactions of physical expression, is surely one of the less amusing ironies in the history of human achievement.

Correspondence

The Sales Tax

TO THE EDITORS OF THE NATION:

I am a little surprised to see that your article on the sales tax in the issue of January 11 shows that diabolical iniquity in a more favorable light than the facts warrant. The sales tax does not "amount to a repudiation of the principle of graduation of taxes," as you state. It simply reverses the principle, placing the highest rates on the lowest incomes and the lowest rates on the highest incomes, while it especially penalizes those who have to support families or other dependents. The sales tax has no other object than to lift the burden from Dives and place it on the back of Lazarus in the hope that he will not know what is being done to him.

With an ambiguous use of the word rate, you state: "It would tax the poorest at the same rate as the richest." The same rate of what? Certainly not income. If my income is \$30,000, and if I spend \$3,000 of this for goods taxed at 2 per

cent, the tax rate on my income is 0.1 per cent. But if my income falls to \$1,200 and my outgo for taxed goods to \$600, the rate of tax on my lower income will be 1 per cent, which is exactly ten times as high a rate as when my income was \$30,000. This point you did not make clear.

I am in the merchandising business in a State whose racketeering legislature taxes the commodity that I sell, and I can assure you that the consumer pays the tax, which is added to his bill as a separate item and also as a contribution to his education.

Bradfordwoods, Pa., January 12 WILLIAM SCOTT

Mr. Thomas and the L. I. P. A.

TO THE EDITORS OF THE NATION:

Norman Thomas's slighting references in your issue of December 14 to the activities of the League for Independent Political Action impel me to request space for an account of our work.

In the first place, our Cleveland convention with its indorsement of Norman Thomas received exceptional publicity over the country. This outstanding boost to the Thomas campaign is acknowledged by many thoughtful Socialists. This was followed during the course of the campaign by over 1,000 newspaper releases. A host of clippings are on file at our office. After the convention the national office of the L. I. P. A. sent letters to its 10,000 dues-paying members requesting them to join the Thomas Committee of Ten Thousand. Hundreds responded and without question contributed hundreds of dollars directly to the Thomas campaign.

Next, we asked our more than 200 branches and local representatives to stage at least two large public meetings, one on the issues of the campaign and the other on Thomas or Roosevelt—For Whom Shall a Progressive Vote? In addition to the large public meetings we stressed meetings in private homes and shops and on street corners. I personally spoke at over fifty and I believe several hundred were held. We sent nationally known speakers into every one of the Congressional districts where candidates were indorsed. John Dewey, Oswald Garrison Villard, Paul H. Douglas, and others of our leaders gave generously of their time, and at least 500 addresses were delivered during the campaign. We also pushed the distribution of literature and a quarter of a million pieces were issued.

Mr. Thomas is apparently not aware of the many contacts of the L. I. P. A. with trade-union elements or he would not have written as he did. One indication of this connection is the fact that the league has several trade-union leaders on its national executive committee.

Norman Thomas was one of three who signed the original call for the conferences that led to the formation of the L. I. P. A. For the first year he served on the executive committee but resigned on March 6, 1931, feeling that there was some danger of confusion in the public mind about his position as a spokesman for the Socialist Party and his position on our executive committee. It was a confusion, he said, that he could always clear up when he explained it, but he couldn't reach everyone to make the desired explanation. "Sooner or later," he wrote us, "the day is coming when we shall all get together in a more unified and aggressive action than we are now undertaking."

This is the time to stress those things on which we agree. Events are rapidly leading toward a united new party. We hope Mr. Thomas and other Socialist leaders will cooperate in the building of a unified political movement based on the immediate demands of the Socialist and L. I. P. A. platforms.

New York, January 1 HOWARD Y. WILLIAMS

Lo, the Poor Farmer!

TO THE EDITORS OF THE NATION:

I have just read the excellent article *The Farmer's Bootstraps*, in your issue of January 11. In considering the plight of the farmer the city reader is very likely to overlook the fact that when wheat is quoted at 48 cents in Chicago, freight and commission will reduce this figure by a half. My town is served by two railroads and is only 750 miles, airline, from Chicago. The following table of prices in this town is taken from the local paper.

Thursday, January 5, 1933

No. 1 Hard Northern Wheat.....	.27
Red Durum	.19
Flax	.88
Oats	.04
Barley	.09
Rye	.15
Butterfat	.18
Butter	.16
Eggs	.20

Of course, nobody expects to make the grade, No. 1 Hard, any more. That is produced only in the Yukon territory and points north. Again, there is the little matter of dockage and short weight. If you have no storage room on your farm (dunnage grade lumber is still \$25 a thousand) and the grain is hauled to town by hired help, these items are likely to become notable. And should the farmer elect to store his grain for a possible rise of the market, it will cost him 2 cents per bushel per month.

Naturally, all this sudden concern for the grain farmer is anything but disinterested. The railroads are itching for permission to raise the carrying charges on cereals, which are exempted from the recent rate boost. The farmer is paying no taxes, buying no gasoline, defaulting on mortgages. There are several reasons for the government's sudden compassion for the farmer.

Wilton, N. D., January 12

SELWYN A. ANDERSON

Joe Abrantes, Cigar Worker

TO THE EDITORS OF THE NATION:

The article on Tampa by Anita Brenner which appeared in your issue of December 2 indicated that the activities of the tobacco workers there have not ceased. Nor have the methods employed to suppress them changed. From one of our representatives recently returned from Tampa comes the following story of Joe Abrantes, who was born in 1895 in Cuba. He was brought to this country by his parents a month later and had never been out of it until he was deported last month as an "undesirable alien." Always active in the struggles of the workers in Tampa, he was arrested on January 2, 1932, only to be released a few months later. In September, however, he was again put in jail and after three months deported. He left behind him a wife and three small children aged six months to eight years.

For \$40 Mrs. Abrantes and her children can be sent to Cuba. This sum may seem small. To the Abrantes it is gigantic. Perhaps some of your readers would be interested in helping us to transport this starving family to a worried father in Cuba. Contributions for this purpose will be gratefully accepted by the International Labor Defense, 8 East Eleventh Street, Room 430, New York City.

New York, January 3

ALFRED HIRSCH

What *The Nation* Needs

TO THE EDITORS OF THE NATION:

I am puzzled at a failure on the part of the editorial staffs of two of our liberal journals, the *New Republic* and *The Nation*, to apprehend this fact—that a deeply valid, unshakably tenable central attitude toward the problems of our day should be maintained by those journals at all costs. I do not mean by this an adherence to any such concepts as justice, or the highest good for the most people, or equality, fraternity, or the like. That central attitude must be the product of more than a philosophy, more than a science. It must be rooted in instinctive as well as intellectual understanding. Now that may seem to be a paradoxical conditioning of that attitude. It really is not. A scientific determination of the present best possible institutional forms is not at all impossible. A rudimentarily scientific approach to economic problems, say, would reveal, in the world of economic processes, the utterly fallacious reasoning behind recent British financial policy, in which unlimited foreign "dumping" without being particular about credit risks has been advocated in the highest financial quarters as a solution for the British unemployment problem. Taking this sort of problem—this particular one, say—I am puzzled by the fact that *The Nation*, supposedly a leader of intelligent thought, praises or condemns such a course without reference to any fundamental social-economic truth. If you are for it, the reason you would doubtless give is that it would help the unemployment problem; if against it, your reason would probably be that it would hurt the credit structure, or some equally irrelevant statement. You might even say that it was foolish, overlooking the undeniable gains to the unemployed.

Develop a philosophy that your reason can approve and that your instincts will support to the death. Only by so doing can you rightfully expect to lead. Find out what the really fundamental problems of the times are, then hammer away at them. Stop wasting our time and your own with lengthy pros and cons of utterly minor problems. We and those problems will be "overlaid and lost in the general drift" of events if we don't get busy and try to shape the course of those events. I have but briefly touched on attitude, on philosophy; I have not taken up issues or methodology. But regarding issues, the fundamental ones stare us in the face—capitalism, war, free speech, and so on. The methodology should be founded on works of synthesis by our most competent and public-spirited scientists. Your part is the part of presentation; and if you have any convictions, persuasive presentation. But presentation, as somebody or other has said, is a matter of art. That means you must improve the physical make-up and the contents of your magazine. Forget your past emphasis on the reasoned presentation. Remember that emotional responses are as valuable as intellectual ones; that a right feeling must be present among your readers before they will act along the lines you suggest; that action, ultimately, is what you want. In other words, get contributors who are better artists, who can *stir* your readers.

You are covering, in short, too wide a field. Your multitudinous news notes, book reviews, and so on, serve to absorb the fighting energy of your readers, rather than concentrating their energies on the vital issues of our time. They distract, they confuse; like the howls of a hundred scattered dogs at night, the voices of the proponents of these hundred minor issues disturb the listener but do not arouse him to any specific, any vital attack, defense, or creation.

Begin leading! Find out what you can stand up for, and then stand up for it through thick and thin—loudly, vehemently, if necessary; at any rate, effectively. And make it *basic*.

Hollywood, Cal., January 1

M.

The Militant Atheist

TO THE EDITORS OF THE NATION:

I was shocked and surprised at the prominence given in your issue of January 11 to the advertisement of the *Militant Atheist*. Naturally I don't deny your right to print the advertisement, but I do question your good taste and consideration for your Christian readers in allowing such license in abuse of their church and faith. The prohibitionists declare that anyone who drinks a glass of beer or wine is a drunkard; the atheist decides that all who hold religious beliefs are fools and liars.

Why this mania to take from others a privilege which we ourselves do not want? If everyone adopted the precept, "Do unto others as ye would they should do unto you," life would be easier and happier for all of us.

New York, January 12

MRS. HEYWOOD BROWN

The Beechers

TO THE EDITORS OF THE NATION:

I am at work on a book on the Beecher family to be entitled, "Saints, Sinners, and Beechers." I would greatly appreciate any pertinent information about the family or suggestions as to where such information may be found. My address is 1 Beekman Place, New York City.

New York, January 13

LYMAN BEECHER STOWE

University Teachers

TO THE EDITORS OF THE NATION:

An Association of University Teachers has recently been formed in New York, with affiliated members in other cities, to promote: (a) freedom of teaching, research, and publication; (b) freedom to participate in social and political organizations inside and outside the university; (c) protection and, where possible, increase of salaries; (d) better tenure rights; (e) maintenance of the size of teaching staffs. Teachers who are interested are requested to communicate with the chairman at the address given below. An open meeting will be held at the New School for Social Research at 8:30 p. m. January 30, with Mr. Roger Baldwin as guest speaker.

MARGARET SCHLAUCH, Chairman

New York, January 12

A Point of Law Misstated

TO THE EDITORS OF THE NATION:

In my article in your issue of January 11 on Owen D. Young and Samuel Insull I stated that under the Bankruptcy Act, "if a bank makes a loan to a corporation which goes bankrupt in less than four months thereafter, such securities as may have been deposited as collateral for the loan become not the property of the bank in particular but of the creditors in general." A lawyer and friendly critic calls my attention to the fact that I misunderstood and stated incorrectly the nature of that four-months clause. It does not, as I said, give the trustee in bankruptcy the absolute security for *new* loans contracted within four months prior to the bankruptcy. It does, however, give the trustee the right to recover for the benefit of general creditors *new collateral* put up during those four months to secure *old loans*.

In my opinion, this correction does not affect the validity of the criticisms made in my story, but of course I am eager not to misstate a point of law. Mr. Young was questioned on the date of bankruptcy because of his collaboration with the bankers. The creditors' case for recovery of collateral put up with the General Electric is that Mr. Young and Mr. Swope knew that the Insull companies were virtually insolvent when they lent them \$2,000,000 from the General Electric, and furthermore that they knew or should have known that the Insull collateral was already pledged to debenture holders.

New York, January 14

NORMAN THOMAS

Contributors to This Issue

PAUL Y. ANDERSON is the national correspondent of the *St. Louis Post-Dispatch*.

BAILEY W. DIFFIE, an instructor in history at the College of the City of New York, has spent some time in Spain.

ANN WASHINGTON CRATON, a frequent contributor to *The Nation* and other periodicals, is connected with one of the emergency-relief agencies.

CLIFTON CUTHBERT contributes verse to various periodicals.

RAYMOND LESLIE BUELL is research director of the Foreign Policy Association.

RAY C. B. BROWN was for many years managing editor of *Musical America*.

M. R. WERNER is the author of "Barnum," "Brigham Young," and "Bryan."

VISITS • TO



Announcing Its 7th Season in Soviet Travel

● Since 1927, The Open Road has maintained its own American representation in the U.S.S.R. You may take advantage of this established service as an independent traveler or as a member of a small group under authoritative leadership.

● Itinerary prices are low, in most cases on a par with European travel costs.

● A new booklet describing Open Road services is now available. In requesting a copy, please indicate whether you prefer independent or group travel, and what interests you most in Russia.

The OPEN ROAD

Dept. Russian Travel 56 W. 45th St., New York

Cooperating with INTOURIST

SOVIET • RUSSIA

When writing to advertisers please mention The Nation

Books, Music, Drama

Equation

By CLIFTON CUTHBERT

Always the threat of darkness lies
Across the roots of growing things.
Always the patterned shadow hides
Against the under sides of wings.

Gentian or autumn crocus, lifting
Its slender-pointed diadem,
Presses a spearhead pyramid
Of shade along the bursting stem.

The stride that cuts the brilliant day
Incites a valor of the mind,
And none disputes what sources feed
The eye that does not see behind.

Sinclair Lewis, Campaigner

Ann Vickers. By Sinclair Lewis. Doubleday, Doran and Company. \$2.50.

WHEN we arrive, as in Mr. Lewis's case, at the twelfth novel of a well-known author, it is almost impossible for us to know what we should think of the book if it had appeared under another signature or were thrown to us as the first work of a new talent. Our inescapable tendency is to view it always in terms of the author's preceding novels, and to plot a sort of fever chart: Is this book better or worse than the last? Does it reveal new and previously unsuspected talents in the author, a steady decline, or a complete collapse? Such questions are always difficult to answer with any precision, not only because of the dubiousness of this ranking system itself, but because, even if the reviewer's judgment were otherwise reliable, it is unavoidably influenced by the order in which the novels appeared and by the vagaries of his recollections. But if I were obliged to pigeonhole the present novel in answer to a direct question, I should say that it ranks below "Main Street," "Babbitt," and "Arrowsmith," but above "Dodsworth," that it is, in short, safely in the upper half of Mr. Lewis's work.

And this is to say that it is solid, workman-like, honest, socially significant, and likely to start up another healthy row about the subject with which it deals. "Ann Vickers" is Mr. Lewis's first novel since "Main Street" to take a woman for its central character. It is not merely repetitive in pattern. It does not rely, to the extent that "Main Street," "Babbitt," and "The Man Who Knew Coolidge" did, on Mr. Lewis's unequalled gifts for verbal mimicry or on his amazing ear for intellectual clichés. In this respect, and in its effort to avoid the mere "type" character, it is closer to "Arrowsmith." It approaches "Arrowsmith," too, in the thorough work of research and documentation that has evidently gone into it. It does for the social worker and penologist what "Arrowsmith" did for the doctor and medical research worker, and "Elmer Gantry" for the ministry. It is not only a novel, in brief, but a vivid and passionate tract. And one more example that, in the hands of a skilful enough writer, a book may quite adequately be both.

True, like "Dodsworth" it gets off to a bad start. For the first hundred pages or so it seems uncomfortably synthetic. The characters fail to come alive, and the figure of Sinclair

Lewis is always among them, delivering little speeches in his own right, the Nobel Prize winner, the self-conscious American Spokesman. He cannot tell us that Ann was a little ashamed of her American provincial origin without adding, "as a British Prime Minister is of his Scottish village birth, or a French Premier of Provence." When he tells us that Ann broke her "cords" with her native village and even her family, he must generalize the statement to apply to "American girls," and add: "If they thus lose the richness and security of European family solidarity, equally they are free from the spiritual and social incest of such nagging relationships." And he cannot tell us what Ann thought as a college junior in 1910 without writing a little editorial on how different and how clear-headed juniors have become now, and how foolish were the "wrecked Odysseuses of the Great War," who "from 1919 to 1929 unceasingly piped, 'Let us eat, drink, and be nasty, for the world has gone to hell, and after us there will never again be youth and springtime and hope.'"

All this embarrasses the reader, but once Mr. Lewis is really launched, his story takes hold of him, and we follow the career of Ann Vickers, as suffragist, settlement worker, prison reformer, mistress of a Tammany judge, with unrelaxed interest. The novel reaches its highest point in the chapters devoted to Ann's experiences as a matron in Copperhead Gap Penitentiary, a prison vaguely situated in the South. The horrors of that prison, from its stinks of sweat, old food, oil toilets, slops, cheap pipe-tobacco, crushed cockroaches, and disinfectant, to the intriguing, dishonesty, cynicism, and criminal cruelty of its jailers, are conveyed to the reader with unrelenting vividness and passion. And yet beneath this passion there is a fine restraint, which keeps the events and the motivation always within the realm of credibility; no one who has read of the Georgia chain gangs and the Florida tortures can feel that this picture of legal savagery in our own day and country is exaggerated.

"Ann Vickers," in brief, is a powerful social document. It is propaganda. It compels the lay reader, who would not dream of opening an official prison report or the essay of a professional penologist, not only to feel that our actual prison administration is desperately in need of reform, but to question afresh, or for the first time, the wisdom of the prison system itself, the very possibility of giving one set of human beings so much power over another without degrading both. "Ann Vickers" is not, perhaps, "literature" in the narrower sense. Certainly there are no caressing cadences in it; the writing, as such, is no better than competent journalese. But it remains an admirable novel as well as a powerful indictment, because, once Mr. Lewis gets past his early tendency to make asides to the reader in his own person, what he has to say becomes implicit in his story, and that story is enacted by a gallery of characters that are varied, credible, and alive.

HENRY HAZLITT

Post-War Germany

The German Phoenix: The Story of the Republic. By Oswald Garrison Villard. Harrison Smith and Robert Haas. \$2.50.

THERE are few Americans as well qualified as Mr. Villard to tell the story of the German Republic. Descendant of German stock, a frequent visitor to the country, a powerful critic of the "wrongs" of Versailles, Mr. Villard brings to his subject not only a deep knowledge but a first-hand intimacy and a warm sympathy which make this book of real importance to those who desire a general survey of the present-day life of the German people.

Mr. Villard is frankly disappointed that the revolution of 1918-19 has been so barren in political and economic results. Today the country is overwhelmed by the problem of unemployment; the eight-hour day has disappeared; the labor unions are losing their members. The old reactionary caste is back in power. He is concerned with the growth of private armies because they threaten internal order; he detests Hitlerism.

At the same time there are encouraging signs. Communism is not making the expected gains. Despite the present setback, Germany has advanced farther toward the state-socialism ideal than any other country save Russia. The gains of the revolution, Mr. Villard feels, are perhaps more noticeable in the social than in the economic-political field. "Beyond doubt the greatest of the German people's gains from the revolution have been the breaking down of the numerous castes which made life in Germany stilted, rigid, and privileged." This change is most evident in the police, who have actually "learned manners and extraordinary patience." The revolution has produced a far more humanitarian outlook in the handling of crime. A new penal system clearly differentiates between professional criminals, who are confined in special prisons, and more innocent offenders, who are treated in institutions with a view to their restoration as self-respecting citizens. Although the revolution produced no change as far as alcohol is concerned, nevertheless the youth movement has set itself against the abuse of drink, and many of its members are entirely abstinent.

Perhaps the most discouraging feature of German life is the fact that the universities, far from supporting the republic, are hotbeds of reaction. "Eighty per cent of the German students may be counted as against the existing government." This situation is partly due to the fact that there are 40,000 university graduates, thoroughly trained, who have no chance of finding employment in their chosen professions. On the other hand, Mr. Villard is encouraged by the German youth movement. "It is hard to recall another movement which as nearly approximates the Spartan ideal without, however, the warlike aspect of the Spartan training. If the youth of Germany survives with ideals untarnished and with sound minds and sound bodies, the youth movement and the school hikes will deserve a preponderating share of the credit." Inevitably the condition of woman has changed; she has obtained greater freedom while at the same time she is exposed to greater hardship. Economic conditions explain why there were 30,000 fewer marriages in the first half of 1931 than in the first half of 1930. Despite the efforts of the government to strike at commercialized vice, prostitution and sexual perversion are widespread; 200,000 children are annually born out of wedlock. Undoubtedly these conditions are the product of an unhealthy social existence, which has produced widespread disillusionment concerning any code of morals. Nevertheless, Mr. Villard states that the tendency "is to return finally to a regular and monogamous mode of life." Culturally, Germany continues to be prolific. Although no great play has been written in the post-war era, the Berlin theater is the center of a powerful intellectual and artistic ferment. A genuine revolution in architecture has taken place. German prose and German movies have become articles of export. The book concludes with an interesting chapter on the German press, which the author criticizes for its lack of attention to foreign news.

In an attempt to be fair Mr. Villard does not relieve the German people, or at least the German leaders, of responsibility for their present distress. In his view the revolution of 1918 was not "destructive enough." The leaders "should have torn down more of the old structure before building up. One of the first acts should have been the breaking up of the great estates, the dispossessing of the great landlords, who . . . had been the real rulers of Germany. . . . So, too, with the captains of industry. Against them the weapon of socialization lay close at hand. It was not used. . . . And then there was the Reichswehr.

Had the builders of 1918-19 been wise they would have appointed to it no man above the rank of captain in the old army. . . . They should never have tolerated the rise of uniformed private armies."

At the same time Mr. Villard is inclined to hold the Treaty of Versailles largely responsible. "It needed but one thing in order to recreate Germany along democratic lines—a just and honorable peace, a Christian attitude of good-will and friendship toward the people of whom Woodrow Wilson had repeatedly said that they were but the innocent pawns and victims of their guilty rulers." But how can anyone have expected that the Allies would suddenly become angels of benevolence after the most venomous war in history? This is about as reasonable as to ask the German people, in true Christian humility and submissiveness, to dissolve the Reichswehr, stop cruiser construction, and forget about Article 231 of the Treaty of Versailles. Mr. Villard's book would have been more complete had it pointed out that the German problem will not be solved merely by the return of Danzig or the granting of military equality. It will be solved only when the vice of nationalism is eradicated from every country, including Germany. The institution of war inevitably intensifies unreasoning nationalism, and this institution will only disappear with the development of a new international attitude and the establishment of a genuine world order.

RAYMOND LESLIE BUELL

Chaliapin's Autobiography

Man and Mask: Forty Years in the Life of a Singer. By Feodor Chaliapin. Translated from the French by Phyllis Mégroz. Alfred A. Knopf. \$3.50.

RECOLLECTION and introspection become this artist, who has the faculty of presenting himself and his accomplishments in a perspective distorted neither by vanity nor by adulation accepted at its face value. Conscious of his shortcomings and his merits, he writes about them both dispassionately, reserving his enthusiasms for artistry itself. His own severest critic, he knows how to value the criticism of others. He has attained eminence by incessant reaching for the ideal, never deluding himself into the belief that he has touched it. "Mephistopheles is considered one of my best parts. . . . My interpretation has in a sense become a classic. I must admit, however, that it has been one of the bitterest disappointments of my career. I carry about in my heart a Mephistopheles I have never been able to incarnate, and when I compare this dream-figure with the figure I have made of it, it literally sets my teeth on edge."

Creative imagination is the quality to which Chaliapin attributes his success. Ambitious singers may read with profit the nine chapters in which he shows how he applies that quality in the preparation of his roles, disheartened though they will be to discover that he memorizes an entire opera while studying his own part therein. "I can have no definite idea of the character until I have thoroughly studied the environment in which he moves and the atmosphere which surrounds him." This is only the preliminary step—the intellectual realization of the character—after which the imagination takes charge and "creates" the personality from the material data.

Pertinent to the mask are these chapters in a book which fulfils the author's expressed intention of being "an analytical autobiography of the man and the mask." Many other chapters show the man in his acts, his opinions, and his emotions. The last aspect is perhaps most strikingly revealed in the account of the author's long friendship with Maxim Gorki and the severance of that tie by disagreement over the Soviet regime. "I persist in thinking and feeling that man's liberty in his life and

work is the highest good. Happiness must not be imposed by force. No one knows what constitutes another's happiness. I still love that liberty which Gorki and I once so ardently worshiped."

As soloist to the Czar and as premier singer to the Soviet people, Chaliapin has been honored by both the old Russia and the new. It is with these two Russias, and not with his incidental wanderings from stage to stage, that his reminiscences are mainly concerned. For the mujik, grown to the stature of the artist, is still at heart the mujik who can say unaffectedly: "I sometimes suffer from the homesickness of the simple peasant."

RAY C. B. BROWN

An Artist in War

Sherman: Fighting Prophet. By Lloyd Lewis. Harcourt, Brace and Company. \$3.50.

GENERAL SHERMAN was a rare man among those whose activities have taken a public form: he refused to regard consequences when he believed either a course of action or an ideal to be right. His military career was therefore a series of successes, for men adore to be led by a ruthless leader, and his civilian life was a confusion of embarrassments, for men hate to be told the truth by a forthright person. It was only in his last years that he became acceptable to the general public, whose opinion he never valued except in so far as it afforded satisfaction for the vanity he shared with his fellow-men. General Sherman was born an eccentric and died a popular after-dinner speaker. Lloyd Lewis has written the account of his career with admirable thoroughness, with clarity of insight, and with sympathetic understanding.

Sherman grew up in the Northwest Territory, which was a creation of the national Congress where people felt collectively under the control of the national government and individually free from any control. His foster-father, Thomas Ewing, had been a staunch Federalist, and Sherman accepted respect for the Union in his youth. In 1836, when he was sixteen, his foster-father, then United States Senator from Ohio, gave him an appointment to West Point. The whole idea had been Ewing's, but young Sherman did not object. He went through the academy and married Ewing's daughter, Ellen, who worshiped her father and had great affection for her husband. When the Civil War broke out, Sherman was oppressed with a sense of failure, his own personal failure and the failure of the country to solve its problems. He had been unsuccessful in business in St. Louis, and with a large and growing family had gone to Louisiana to be head of a military academy. At the outbreak of war he felt the bottom dropping out of his effort to train young cadets. But, more important than that, he saw the Southern States sacrificing the Union for animosities capable of compromise. Sherman was fanatical in his devotion to the Union.

In the early days of the war Sherman had hesitated to kill men by sending them into battle, but he soon realized that since war was hell, it was necessary to make it as terrible as possible to the enemy. It then became his fixed policy to ravage the South and to starve its inhabitants into submission. War as a teacher of obedience to law was Sherman's principle, and he offered violence and destruction as an example of the need for order and right. "I would not coax them or even meet them halfway," he wrote for Lincoln's eye, "but make them so sick of war that generations would pass away before they would again appeal to it." Sherman, who was an artist in war, was as sensitive as an artist to its horrors and as ruthless as an artist in his thoroughness. He would have been willing to see the entire South, which he loved, bare and stark rather than not to finish the colossal job for which he was responsible. His justifi-

cation was that the Confederates had appealed to arms, and his answer to the appeal was the most terrible punishment it was possible for him to mete out with all the force of his technique. In that endeavor he proved himself one of the greatest generals who ever lived.

Sherman commanded an army of Westerners, in whose ranks discipline was lax and courage great. His jolly, ruthless, raw, and vigorous troops were not only the scourge of the South through which they marched, but the terror of the more effete East and of the timorous politicians in Washington. In Sherman and in his hordes they did not know what they had released. And after the war both the Easterners and the government at Washington were afraid of the Westerners who had played such an important part in the domination of the South. There were rumors that after subduing the Confederacy the Western armies would turn on the effete Easterners and make General Sherman the dictator—the Napoleon—of the United States. But Sherman—though he was a monarchist and distrusted democracy—had no monarchical ambitions. When the armies came to Washington for their grand review, there were many fist fights in saloons between the Eastern soldiers in their neat paper collars and the ragged, boisterous Westerners, who felt capable of conquering the earth, and willing to try if their Uncle Billy would say the word. But Uncle Billy was wise, shrewd, and humble. It was found impossible to make him President of the United States, even less a dictator, and he countered an attempt at a stampede with the celebrated telegram: "I will not accept if nominated and will not serve if elected."

As well as a portrait of Sherman, one of the most superb characters the United States has ever produced, Mr. Lewis's book reveals the confusion, the horror, and the pattern of the Civil War. In it there is excellent material which gives one a picture of how men lived through the chaos and the trouble.

M. R. WERNER

Shorter Notices

The A B C of Technocracy. By Frank Arkright. Harper and Brothers. \$1.

This volume, as its name implies, is a mere primer on technocracy. In its ideas, and even in its phraseology, it follows closely the article on the subject by Howard Scott in the January issue of *Harpers Magazine*. As the book is somewhat longer than the article, it cites more figures and examples.

Never Ask the End. By Isabel Paterson. William Morrow and Company. \$2.50.

Orchestrating the brittle gaiety of the dialogue in her novel with a running accompaniment of retrospective flashes in the minds of her three characters, Miss Paterson has built up, in effect, three typical American biographies. For Pauline, Marta, and Russell, who—no longer young—meet accidentally in Paris, the past, though differing for each in its particulars, represents a common struggle and a common victory. They have each escaped from the economic and cultural poverty, the moral dualism, of their native Midwestern environment. They have all three survived unhappy marriages. By one means or another they have achieved material well-being, and gravitated inevitably to Europe to purchase a cultural background and moral freedom. Obviously ideal material for success stories in their hometown newspapers, they are, nevertheless, inwardly at sea, wearied by the struggle and disillusioned in the victory. It is, however, part of Miss Paterson's skill that the sense of disillusionment is not the ultimate mood of the novel. Though she constantly conveys it to us with a subtle and civilized irony, it is in the behavior of the three characters themselves that the moral of the

tale must be read. Desperately gallant in the routine of passion, "game" and playful in the wearisome adventure of Europe, they have at last hit upon the expedient of substituting wit for emotion. And this, one feels, is not merely the technique of the novel, but a solution that Miss Paterson offers us—a complete philosophy for living in these times.

Out of the Past of Greece and Rome. By Michael I. Rostovtzeff. Yale University Press. \$2.

Professor Rostovtzeff leads us away from the centers of Greek and Roman civilization to those borderlands which played an obscure part politically but an important part economically. In writing that is pleasantly informal he describes the Greek colonies on the Black Sea in whose ports was loaded the corn on which Greece lived, which was paid for with Greek products that were to deposit a layer of Hellenic civilization over the Scythian barbarians; he shows that the Olympian games persisted because they happened to be the only institution of national unity developed in Greece; he dilates from a more human viewpoint than the merely archaeological upon the significance of the ancient cities now being disinterred at Pompeii and Herculaneum; he pictures the old Greek city of Messina in Sicily, whose history, as well as the psychology of its inhabitants, was in large part the creation of Mt. Etna, on whose unstable slope it was set; he traces the sudden, casual prosperity of the two caravan stations at Petra and Palmyra in the Arabian desert, which grew to metropolises and even to empire after trade called them into existence, and which decayed as quickly when trade took other roads. In his final chapter Professor Rostovtzeff reads us some newly discovered papyri, the letters of two big business men, which show the part played by big business in the Greek empire established by the Ptolemies in Egypt. In essays like these the reader feels brought as close to the realities of ancient life as a historian can lead him.

Etruscan Places. By D. H. Lawrence. Viking Press. \$3.75.

Tracing out one corridor in his very complex nature, D. H. Lawrence was persistently interested in the recovery of human consciousness as it existed previous to, or outside, the Graeco-Christian tradition. He was uncannily adept, through the medium of the geographic site, a few artifacts, or (as in the case of the Southwestern Indians) some surviving ceremonies, at reconstructing such states of mind. "Etruscan Places" is an item in a series of such reconstructions. It is not so fine as "Mornings in Mexico" or "Sea and Sardinia," perhaps because the author had less to go on. But it makes an interesting case for certain values of unselfconsciousness, and for what Santayana would call "animal faith," which Lawrence would attribute to the Etruscans. Twenty reproductions of tomb paintings and urn modelings in their lively naivete fairly enough credit his thesis. To what extent the volume is accurate archaeology is perhaps irrelevant; it is representative Lawrence and valuable for its own kind of insight.

A Charter for the Social Sciences in the Schools. Drafted by Charles A. Beard. Charles Scribner's Sons. \$1.25.

Mr. Beard here acts as the mouthpiece of a commission of the American Historical Association investigating the teaching of the social sciences. The present preliminary report is offered as a "charter," but it may be more accurately described as a cry of the perplexed. First of all, says Mr. Beard, the teacher of the social sciences is a scholar. As such he must pursue the ideal of objectivity. He must study the American, French, and Russian revolutions "with the same control over emotions which the geologist exercises when he traces the transformations registered in the great book of nature." He must do so especially since he deals with problems that are enormously complicated. Yet the social scientist cannot turn his back upon current social

realities. The present, indeed, is the greatest era of transition in human history. "We are passing"—Mr. Beard here quotes President Hoover—"from a period of extremely individualistic action into a period of associational activities." Yet the teacher of social studies cannot simply conduct a forum for the discussion of "current problems." He must rather attack fundamental tendencies. In this task he must remember "the climate of American ideas." The fact is that "nowhere is the predominant ideal of a progressive society set forth more cogently or with greater authority than in the Constitution of the United States as written and as interpreted by legislative enactment, judicial exposition, and political practice." To break down special privilege is an American ideal. Yet this purpose must be accomplished "without unduly burdening industry or diverting too much capital from productive enterprise."

The Cambridge Medieval History. Volume VII: *Decline of Empire and Papacy.* The Macmillan Company. \$12.

Roughly, this volume is a history of Europe in the fourteenth century. Some of the subjects have their beginnings earlier and some run far into the following century. The period witnessed the decline in power and prestige of the Papacy, which contributed to its own defeats by playing petty European politics as an Italian state, and also of the empire, which in the previous century had duelled with the popes. Concessions by the candidates at each election reduced the emperor's power, which was weakened further by the strong, national dynastic kingdoms developing in England, France, and Spain. Feudalism was also in decline, the nobility being squeezed between the bourgeoisie of the free towns and the increasing might of the king. Europe was ripe for the Renaissance and the Reformation; the Lombard cities and the Hansa towns were inaugurating the bourgeois economy which in time was to become the basis of life throughout the Western world. On the whole this volume maintains the high scholarly standard of the Cambridge series of histories, though it is uneven in quality, as a book by several hands must be. The twenty-seven sections are the work of twenty-three contributors, of whom W. T. Waugh (three articles), Hilda Johnstone (two articles), A. Coville, Prince D. S. Mirsky, Cecil Roth, and Eileen E. Power may be read for pleasure as well as for information. Three of the contributions are mere conglomerations of names and dates, and should not have been included in the volume. The rest are careful pieces of historical scholarship, passably written. This general criticism may be made—that in most of the articles the political point of view is too dominant, to the relative neglect of social and economic factors.

Music Selling Symphonies

THE nonsense that commonly accompanies broadcast music as explanatory talk has annoyed discriminating listeners ever since music was first sent out over the air. Their charges against the broadcaster have nowhere, to my knowledge, been so well stated as by B. H. Haggin in the *New Republic* for December 7. But simply to blame the broadcasters for not knowing better, and to suggest that all they need to do to improve their ways is to be intelligent men of good-will, is to indulge, I think, in an optimism not justified.

What is the substance of the charges? Briefly: that the broadcasters "sell" the music to the radio audience instead of letting it speak for itself; that they talk about biographical or other extra-musical details instead of concerning themselves with

the music itself, and so hinder the listener, instead of helping him, in concentrating upon the music; that the substance of what they say is often inaccurate or worse.

To those of us who need no salesmanship to make us listen to music, the broadcasters' efforts in that direction are, of course, revolting. That is because we are primarily interested in music and not in broadcasting. But to the broadcaster, highbrow music is simply one of a dozen different kinds of sustaining program from which he gets no direct return; it represents a substantial investment which must pay for itself in habitual listeners who will buy the products his advertisers wish to sell them.

It is doubtless true that if the Philharmonic Orchestra broadcasts were accompanied by no comment at all, the people who really wish to listen to symphonic music would listen just as readily. But if thousands who otherwise would not be interested can be persuaded to listen to highbrow music by salesmanship of one kind or another, the broadcaster cannot afford to neglect this opportunity—especially since those who really want to hear Mr. Toscanini will in most cases not forgo hearing him because they dislike Mr. Downes.

It is a mistake to think that this salesmanship does not work or that the high-toned nonsense the announcers read, the highfalutin accents in which they read it, and even more the enthusiastic indorsements of the critic of the *Times*, do not carry weight with the audience. The pompous nonsense that the broadcasters love is not something they foist on a public that has no preferences; that public is not unlike the personnel of the broadcasting companies themselves, and has similar preferences. If the broadcasters have reason to think that salesmanship in the shape of music-appreciation talks enlarges their audience, they are, as business men, obliged to use it; they can hardly be expected to give the public what it should have, whether it likes it or not.

And is it so easy to say what it is that the public should have? "The remedy follows inevitably from the difficulty," says Mr. Haggin. "For one thing, it consists in setting the music before him phrase by phrase, so that he has detailed knowledge of the work. In addition, as one goes along, one can point out relations among phrases—the fact that something here is derived from something there." I am not sure it can be assumed that the radio public is much interested in relations between phrases—anything like as much as in Mr. Downes's legend, for example, about a theme in the Brahms First Symphony and its derivation from the chimes of Cambridge. And when Mr. Downes attributes the derivation of a theme to Cambridge chimes, he says something which happens not to be correct, but which could easily be, without in any way changing our attitude toward the music. But great theorists often disagree on the relations between phrases, and one conception or another of this sort may definitely affect our listening attitude—for better or worse. Moreover, "setting the music before him phrase by phrase" does not give the listener "detailed knowledge of the work." Only repeated hearings can do that. Unless he has heard the work already, I doubt that an oral analytical foreword is of any benefit to him. It may enable him to recognize a bit of material here and there—but that takes him away from rather than toward the kernel of musical experience.

The Columbia System, in connection with a current series of broadcasts of Bach's entire Well-Tempered Clavichord, has gone so far into musical structure as to announce that "a real fugue is one in which there is no real answer"; that a "tonal fugue is one in which the subject is merely transposed"; that "the counter-subject is used as an answer"; that the C-sharp-minor Prelude in the First Book "does not modulate." Each of these pronouncements is about the opposite of the truth. And yet no spontaneous protest has arisen to force Columbia to talk sense instead of nonsense. Of course not—how many people



OSWALD GARRISON VILLARD'S THE GERMAN PHOENIX

"A pulsing, live canvas of present-day Germany. Mr. Villard has that genius for participation which is of the essence of great reporting; he is no aloof, philosophical observer, but an intensely excited, sometimes emotional, occasionally eloquent man-on-the-street, excited by what he sees, communicating to the reader his own intense excitement. And Mr. Villard, a recurrent visitor to Germany through all the sixty years of his active life, sees present-day Germany in long perspective."—LEWIS GANNETT, *N. Y. Herald Tribune*.

Just published, \$2.50

HARRISON SMITH & ROBERT HAAS • PUBLISHERS

SHERMAN FIGHTING PROPHET

by Lloyd Lewis

A richly wrought biography of General William Tecumseh Sherman which is also an epic of American life and background. "One of the warmest and most human biographies in years."—*Chicago Daily News*. Illustrated, \$3.50

HARCOURT, BRACE & CO., 383 MADISON AVE., N. Y.

Roget's International THESAURUS "Words grouped by Ideas"

Complete list of synonyms, antonyms, phrases, slang, etc., in fact everything to help find the right word. The one indispensable book for all writers. A necessary complement of the dictionary.

Now \$3 Copy

from CROWELL'S

THOMAS Y. CROWELL CO.
393 Fourth Avenue, New York

When writing to advertisers please mention The Nation



*My Ancestors Were Serfs...
but they were assured of food,
clothing and shelter...*

*I Am a Freeman...
and I have no job, no
home, no food...*



THE COMING STRUGGLE for POWER

BY JOHN STRACHEY

The most enlightening analysis yet written
of our present state of affairs. It traces the
entire history of Capitalism and offers a
clear picture of what the future holds for us.

"John Strachey gives a more brilliant
and illuminating analysis of the growth
and decline of capitalist society than any
other member of his generation."

—New Leader

"Mr. Strachey has made a
contribution which will sur-
vive when RECOVERY is
long forgotten."

—The Spectator

3.00 at all booksellers

COVICI FRIEDE • PUBLISHERS • New York

□ JOSEPH WOOD KRUTCH says □

ALICE IN WONDERLAND. Civic Repertory Theater. It will fascinate children and adults alike by the reality of its unreality and the sense of its nonsense.

ANOTHER LANGUAGE. Booth Theater. Hilarious perennial exposing almost anybody's family.

AUTUMN CROCUS. Morosco Theater. Sentimental English comedy with Dorothy Gish and a new matinee idol named Francis Lederer.

BIOGRAPHY. Guild Theater. An intelligent and sinewy comedy about what happens when a cultivated woman of the world tries to choose between a pompous opportunist and an unmanageable idealist.

DESIGN FOR LIVING. Ethel Barrymore Theater. To be reviewed next week.

DINNER AT EIGHT. Music Box Theater. Trick melodrama about what happened to the various guests invited to a dinner party. The general public likes it very much better than I do.

GOODBYE AGAIN. Masque Theater. Fine performances by Osgood Perkins and others make this farce comedy very funny.

FOOLS CAP. Times Square Theater. Moderately amusing satire in which Shaw and Pirandello collaborate on a play for an insane asylum.

THE LATE CHRISTOPHER BEAN. Henry Miller Theater. Light comedy from the French completely rewritten by Sidney Howard and charmingly played by Pauline Lord and others. All things considered, it is much the most enjoyable comedy of the season.

care what the difference between a real and a tonal fugue is? And why should the radio audience be burdened with a distinction it is not qualified to understand? The plain fact is that talking about music is a very difficult business, and the more one confines oneself to biographical and historical material, the less serious harm one is likely to do. Nothing, at any rate, can tell us the most important things about music except music. If the broadcasting systems belonged to the state, as they do in England and Russia, they would, of course, be able to do serious and valuable work. Inaccuracies could be made the exception instead of the rule; pomposities could be deflated. But even if broadcasting were rendered independent of the public's immediate favor, it is not demonstrated that the remedy would follow inevitably and simply from the difficulty. There would always remain basic questions: Shall music be presented for the public to take or leave? Or shall one assume that there are people who don't know that they could like music, and bribe them by comment of one sort or another into finding out that they do? And what form shall such comment take? Difficult questions at best, they are impossible so as long as program-making remains dependent on fan mail and the whimsical tastes of captains of industry turned "showmen."

ARTHUR MENDEL

Films

Noel Coward's "Cavalcade"

PSYCHOLOGICALLY we shall be affected by the film at the Gaiety whether or not we have any sentimental attachment for the British Empire (which would be factitious enough in a metropolitan American audience) or whether our minds can accept all of its episodes as being quite true to human experience as we know it. Here again is the old mesmerism of the theater, which at its best has a way of lulling to rest the finest resistances of our mind and experience. For the time that we spend watching "Cavalcade" we are so carried along by its speed and intensity and cumulative richness of imagery that our judgment is suspended; we are completely immersed in the experience. It answers therefore to at least one of the essential conditions of good art: it is so persuasive as to make us forget its assumptions. The eye is as helpless before its fast-moving procession of images as the ear before the strains of some vast symphony, let us say, whose fundamental emotion may not be valid for us. And all this is but another way of saying that in "Cavalcade" are realized to their full the peculiar artistic elements that we have come to recognize in the cinema medium—the enlarged scale, the increased tempo, and the dramatic symbol.

In a film which undertakes to give us a panorama of English society from the Boer War to the singing in a London night club of a Noel Coward ballad entitled "Twentieth-Century Blues," the most obvious of these elements to look for is of course scale. If Mr. Coward did not actually write his play with a screen version in mind he must be pleased to discover how much his conception gains in every way through the greater enlargement and acceleration of the newer medium. But since neither of these effects was after all lacking in the play, it is probably more to the point to remark on one particular type of effect which is definitely more realizable on the screen than on the stage. Altogether the most perfect scene in the film is the one in which we are given a glimpse of a young married pair leaning over the railing of a ship, their eyes lowered to the water beneath and their voices murmuring of happiness and death and the passingness of love. It is not until they have

When writing to advertisers please mention The Nation

moved away that the camera closes down upon the word painted on the lifesaver against which they have been standing. The word is the name of the ship—the Titanic. Here, of course, everything derives from the fact that the scene is resolved without anything being said or done. Through a single visual symbol the whole obvious sequel is eliminated; and by means of the camera this symbol is given an emphasis that it could not have received on the stage. It is unfortunate that the director was unable to substitute such a symbol for the inferior war scenes, which suffer in comparison not only with those in "All Quiet" but with the more recent frieze-like stylization in "A Farewell to Arms."

For such a picture as this credit must be pretty equally distributed among the author, the director, and the players. There is nothing novel or otherwise arresting in the direction of Frank Lloyd, but rather a competent synthesis of elements that have been developed in Hollywood in the last three years. The acting of Diana Wynyard, however, is more than competent: an unerring tact saves her time and again from the easy histrionism to which her situations lend themselves. As for Mr. Coward, it is no longer possible to dismiss him as a young man in whom cleverness approaches pretty close to genius. The writing in "Cavalcade" is uneven, but the best of it is good dramatic writing from any standard.

"The Island of Lost Souls" at the Rialto hastens the degeneration into the grotesque of the current macabre tradition and represents a further waste of Charles Laughton's fine talents as a character actor. And while "Der Hauptmann von Koepenick" (Europa) is one of the better German films, its humor would be more potent if its director had been less insistent about it, and had emulated René Clair's rapid tempo as well as certain of his minor devices.

WILLIAM TROY

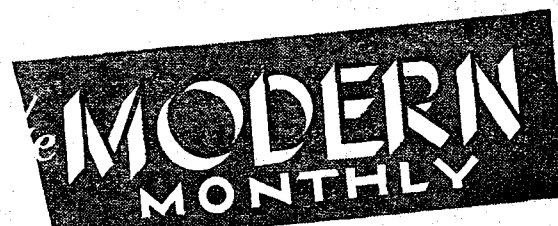
Drama Not Pretty

ONE must not be misled by the title of "Big Night" (Maxine Elliott's Theater). It does, to be sure, concern itself largely with that peculiarly modern institution, the "party," but it is written in no festive mood. Indeed, it is a long time since I have seen so bitterly unflattering a picture of human nature or come away from the theater with a sicker taste in my mouth. This is not exactly "passion recollected in tranquillity" but it is a kind of debauched counterpart—namely, the "big night" seen through the eyes of the morning after. Perhaps men and women never seem quite so contemptible to an unjaundiced eye; perhaps even the stupid drunk is not quite so disgusting unless one is indulging the prejudice naturally engendered by a moderate hang-over; but "Big Night" is undoubtedly impressive in its own disagreeable way. It may be a libel on advertising men and buyers, as well as upon the typical American for whom they are made more or less to stand, but it is, at least, a libel uttered with real conviction, and the play is not one which will be easily forgotten.

I am not unaware of the faults which may be urged against it as a work of art or of the fact that the author, Dawn Powell, has overwritten many of her scenes and overexplained much of her action. The advertising solicitor about to lose his job almost forces his unwilling wife into the arms of the "prospect" whom she has always hated, when the whole would have been vastly more effective if she had only caught and accepted a hint which the husband would not make overt even to himself. Time and again one all but loses one's faith in the entire proceedings because the author insists upon making perfectly ex-

IT'S NEW!

From Cover to Cover



February 1933 Vol. VII, No. 1
 WHAT IS HAY AND WHAT IS
 HAYWIRE IN TECHNOCRACY -
 Murray Godwin
 A PLAN Sherwood Anderson
 T. S. ELIOT: LEISURE CLASS
 LAUREATE
 HOW I WRITE Ernest Sutherland Bates
 BACKWARD MARCH: THE
 LIBERAL COMMAND Maxim Gorki
 V. F. Calverton
 THE YOUNG HEGELIANS
 WILL TEACHERS LEARN? Sidney Hook
 Sterling Spero

50 Yearly

25c COPY

THE ever deepening social crisis has made the American people more and more concerned with the future of their civilization. The play-boy attitude of the twenties is dead, as are the magazines dedicated to that philosophy. Serious, radical analysis is what is needed today, analysis of the American scene in American terms that the American people can understand.

It is such analysis that The Modern Monthly will present from month to month. It will be uncompromisingly radical, but its radicalism will spring from native and not foreign sources and its conclusions will be dictated by the logic of the situation and not by the dead hand of dogma.

The school-teacher, the doctor, the architect, the engineer, the artist, the writer, in fact all of the professional workers and the intellectuals in general, are faced with problems today that have to be faced, and can only be faced honestly and courageously from a radical point of view. To face them thus is the task that The Modern Monthly has set out for itself in these days when an old America is being buried and a new America is being born.

25c A COPY \$2.50 YEARLY BUT

FIVE
MONTHS
FOR
\$1.

THE MODERN MONTHLY
P. O. Box 97, Sta. D New York City

Send me THE MODERN MONTHLY for
5 months.....

When writing to advertisers please mention The Nation

PLAYS - FILMS - MUSIC - DEBATES

THE THEATRE GUILD presents

BIOGRAPHY

A comedy by S. N. BEHRMAN

GUILD THEATRE Fifty-second Street West of Broadway
Eves. 8:30—Mats. Thurs. & Sat. at 2:30GILBERT MILLER
Presents**PAULINE LORD in
THE LATE CHRISTOPHER BEAN**

With WALTER CONNOLLY

"The most enjoyable comedy of the season. It is almost
too good to be true."—*Joseph Wood Krutch, The Nation.***HENRY MILLER'S** Thea., 124 W. 43. Mats. 2:45—Wed. Thurs. Sat.
Eves. at 8:45. Prices M-ts. 85c to \$2.20 incl. tax

2nd Popular Price Week!

25c to 1 P. M.—35c to 6 P. M.—Eves. 55c

"Maedchen in Uniform""Best film of the year."—*Tribune, World-Telegram, Times.***RKO CAMEO THEATRE** 42 St. & Bway. **NOW**

... RECITAL ...

COMPINSKY TRIO—Assisted by Leah Horne

at the New School for Social Research

66 West 12th Street, New York City

FRIDAY EVENING, FEBRUARY 3rd, 8:30 P. M.

Tickets 55c, 83c, \$1.10, for sale at Workers Bookshop, 50 E. 13th St.
Benefit of Political Prisoners and Their Dependents
Management of Trio, Universal Artists Bureau

LECTURE

"Is Marriage A Failure?"

By JOHN HAYNES HOLMES

Sunday, January 29, 8:30 P. M.

BROOKLYN FORUM—BROOKLYN ACADEMY OF MUSIC

30 Lafayette Ave., near Flatbush Ave.

Tickets: 25c-55c-\$1.10 at Box Office—Rand Book Store, 7 E. 14th St., N. Y.
Feb. 5—"Technocracy," Walter N. Polakov—Hugo Gernsback—Oscar AmeringerMeets at
Club House**THE GROUP**150 West
85th St.

Tuesday Evening, Jan. 31st, at 8:30 P. M.

JOSEPH F. RINN, speaks on:**"Woman's Frigidity: Man's Lost Idealism and Divorce"**

This Sunday Afternoon (Jan. 29th) at 4:30 P. M.

JUANYTA CLIVETTE, speaks on:**"Geniuses and Love Affairs"****The Nation's RADIO HOUR**

Station WEVD (1300k-231m)

JOSEPH WOOD KRUTCH will be the speaker
on Wednesday, February 1, at 8:15 P. M.

Other interesting programs over WEVD:

The Group Theater, Sunday, 8:30 p. m.

Birth Control, Monday, 5 p. m.

Michael Strange, Tuesday, 5:15 p. m.

Hendrik Van Loon, Friday, 8:15 p. m.

plicit things which in real life would probably be felt only below the surface, and thus makes monsters out of persons whose vileness would reveal itself only in ways less open. Yet the capital fact remains that I did sit through "Big Night" in the grip of a horrid fascination, that its realities triumphed definitely over its unrealities, and that its truth hurt more deeply than its incidental falsities.

Theoretically, I have no great admiration for the merely unpleasant play. Usually those dramas which profess to do nothing except tell the disagreeable truth about thoroughly disagreeable people inspire me with only a desire to escape. But this one is mordant enough and original enough to hold on almost against one's will, and to generate a kind of pleasure which is less merely misanthropic than actually masochistic. These vulgar people have gathered ostensibly to make merry. Yet each, hating the other, has his own mean plans to further, and as gin makes each less skilful in hiding his own soul, as we are less capable of judging another, the vilenesses rise one by one to the surface. It is not pretty and it is not pleasant, yet I, for one, could not choose but hear.

Much of the effectiveness of the play may be set down to the acting of J. Edward Bromberg. The whole production is competent and creditable to the Group Theater which put it on, even though Stella Adler seems somewhat miscast as the wife. But Mr. Bromberg's performance as Bert Schwartz, owner of the Fortune Stores, rises far above the level of all the others. Some years before, he had pursued the ex-cloak model with dumb determination and got his face clawed for his pain. Now, when he meets her again at the party, his eyes follow her with what Aldous Huxley so vividly described as the "infectious earnestness of lust." But as the evening wears on and one appreciates the stubborn, changeless, unconquerable persistence of his desire, one begins first to pity him and then, almost, to admire—at least by comparison with these others whose vice are so much more trivial and transitory and weak. Somehow or other the actor manages to make this lust impressive, to suggest how completely the big clothing-store man has set his heart—such as it is—upon this thing, and thus to give him a kind of dignity. As played by Mr. Bromberg, "Schwartz" is a memorable figure, and one almost regrets the vulgar irony which condemns him to be unable to remember next morning whether or not he had really got what he had so long wanted. "Big Night" is not a play which one likes to recommend without letting one's hearers know just what kind of dubious pleasure they are in for if they accept the recommendation. But I repeat—it will at least not be easily forgotten.

"Foolscap" (Times Square Theater) is a fairly amusing comedy but one which, nevertheless, does not quite live up to the hopes one forms during the promising first act. The author sets Pirandello and Bernard Shaw to collaborating on a play to be performed by the inmates of an insane asylum and the sounds like the beginning of an amusing satire. But only the beginning is really there, and after some fairly obvious fun at the expense of the two famous authors the play ends nowhere in particular. Frederic Worlock, Eduardo Cianelli, and Geoffrey Kerr are good.

"Two Strange Women" (Little Theater) is the kind of play about quaintly sinister mountaineers and wicked city folk which little theaters used to love to give. There is the old grandmother who has not spoken for twenty years, and there is the handsome youth to whom the town-bred vamp says mockingly, "I believe you are afraid of me." Contrary to my custom I left early, and so I do not know who it was that got pushed out the door and down the cliff. But the fact that the cliff was talked about so much and that its height was so frequently emphasized makes me reasonably sure that somebody was disposed of via that route. None of them would be missed.

JOSEPH WOOD KRUTCH

When writing to advertisers please mention The Nation